

# NATIONAL MUNICIPAL REVIEW

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## EDITORIAL COMMENT

Municipal ownership of the Philadelphia street railway system within thirty years through an amortization fund built up by the company now operating the system is proposed in a report by C. C. McChord, former chairman of the Interstate Commerce Commission, to the Public Service Commission of Pennsylvania.

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Governor Hartley of Washington has vetoed the bill which would give first class cities in the state permission to pay from the general fund the deficiencies in local improvement district funds, and his veto has been sustained by the legislature. Readers will recall the unfortunate history of Washington L. I. D. bonds and will regret the failure of a measure designed to enable, though not compel, cities to assume their proper responsibilities.

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We regret that the proposed amendment to the Cleveland charter, abolishing the civil service commission in favor of a single personnel director appointed by the manager, failed by a vote of 23,231 against to 9,227 for. The total vote was less than 27 per cent of the registration, but it is believed by the Citizens' League that if the amendment had been up at the November election results would have been different.

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New York City is considering with some misgivings the proposal to build

an elevated motor highway on the Hudson River waterfront to link the Canal Street approach to the Holland Vehicular Tunnel to New Jersey with Riverside Drive at West 72nd Street. The improvement will cost about \$13,000,000 and will be financed by an assessment upon the taxpayers in Manhattan Borough. Its construction will involve the demolition of sixty-two old type tenements. The new boulevard will be a mile and a half long and one hundred and thirty-eight feet wide. New Jersey has similar comprehensive plans for the treatment of the highway approaches to her end of the tunnel.

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Must city trees die? According to the Toledo division of parks and boulevards, there are now in that city 250,000 trees which require immediate care to save them. In all cities great numbers of trees are declining and dying from lack of proper attention. Most of them stand between the curbs and sidewalks where conditions of growth are particularly difficult. Trees are the most beautiful adornment which a street can possess and it is gratifying to know that many cities are taking definite steps not only to plant new trees but to preserve the majestic oaks, elms and maples which nature took decades to produce.

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The National Conference on City Planning will hold its nineteenth an-

nual meeting in Washington May 9, 10 and 11. The Wardman Park Hotel will be the headquarters and Secretary Shurtleff advises that reservations be made as early as possible. Subjects on the program include public services which require regional planning and control, the regulation of land subdivisions, and how city planning affects land values. A breakfast round table on zoning will be held on the second and third days. On the evening of the first day Dr. John Nolen will deliver his address as president of the Conference on the subject, "Twenty Years of Planning in the United States." For further information address Flavel Shurtleff, Secretary, 130 E. 22nd St., New York City.

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**Local Government and the Legal Profession** Harvard University Law School has added another bit of evidence to its reputation for progressive scholarship by adopting a resolution to increase the course in the law of municipal corporations from thirty to sixty semester hours beginning with the academic year 1927-28. As we recall, Harvard was the first law school in the country to offer a course in this subject some thirty years ago. The course under Professor Jeremiah Smith was limited to ten hours; later under Professor Joseph Beale this was extended to thirty hours; and now in recognition of the importance of the subject of local government to the legal profession, it is given the rank of a full major course of two hours throughout the year.

Some time ago, we sent out a questionnaire to the teachers of the law of municipal corporations in the several law schools of the country. Our purpose was to get the general consensus of opinion from those best qualified to speak upon the question as to what training the law schools were directly

giving in this subject and whether the courses were deemed adequate to its greatly increased importance. We regret to say that only some twenty-three of those addressed found time to send in replies, a number entirely too limited for the basis of any conclusive statistical deductions. We may mention, however, that of seventeen schools now devoting thirty semester hours to this subject, ten instructors believed the course should be increased to sixty hours and five advocated an increase to forty-five hours. Only two of the seventeen felt that the time afforded for their presentation was sufficient. Of those advocating a full course of sixty semester hours, three thought their curricula could be so adjusted, three came to the contrary conclusion and six were in serious doubt. It may be gratifying to the authorities of the Harvard Law School to receive this evidence of approval of the step they are taking to meet a present day need. The Harvard Law School has made great contributions to American scholarship in the past and has often pointed the way to the other schools of the country. We congratulate it on its recent resolution, which again gives evidence that its reputation for leadership in American legal education is not to be surrendered.

C. W. T.

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**Civil Service Difficulties** The public is beginning to realize that civil service commissions are not always functioning in the manner which the recipe calls for. The reason is sometimes because of subservience to political ends, such as Cleveland is now experiencing, and sometimes because of the impossible burdens placed upon a commission financially starved and therefore unable to perform the assigned task. Of course financial star-



vation is generally due to the unpopularity of the merit principle with the politicians in city hall.

Recently an enterprising newspaper reporter discovered the New York municipal civil service commission engaged in illegal practices. It seems that more than 2,000 employees of the city enjoying temporary or emergency appointments had been retained beyond the four month period for which they were authorized by law. Indeed, some of these appointments were five or six years old.

The commission promptly acknowledged the newspaper charge as correct, claiming that the situation, though regrettable, was unavoidable.

There are 44,000 places in the competitive class for which the New York civil service commission must hold examinations. In addition it has jurisdiction over 9,000 posts filled by non-competitive examinations and about 19,000 laborers' jobs. The commission holds annually more than 300 examinations of which about two-thirds are for purposes of promotion. More than 4,000 appointments are made each year and from 20,000 to 30,000 applicants examined. In the year 1926 the commission examined 29,584 candidates, more than 8,000 of whom took the examination for patrolman. For this work there is an examining staff of but sixteen persons. In 1917 when the work was considerably lighter the examination division had twenty-five examiners. It requires no Philadelphia lawyer to discover from these figures a strong presumption that the civil service commission is suffering from severe anemia if not actual starvation.

Upon the revelation of the "scandal" in temporary appointments, the president of the commission reported to the mayor that, in addition to the difficulties above outlined, the commission was having trouble in securing appli-

cants for municipal posts at the salaries offered. In one important department the salary for engineering draftsmen was so low that reliance had to be placed almost completely upon young men still attending school and professionally unqualified for the work. New York City has adopted no salary standardization or systematic job classification. There exists, therefore, gross inequalities in salaries and little uniformity in tasks for which the same salary is paid.

Undoubtedly many of the city positions offer very unattractive salaries. On the other hand, it is true that industry is paying no more, and sometimes less, than the city offers for some positions which the civil service commission asserts are difficult to fill because of the low wage. Evidently the municipal service is less attractive than private employment even when the wage is not unfavorable.

We shall publish next month a longer article on New York City personnel management. From the brief story above, however, it would appear that the civil service commission needs more money and more men, but it would also appear that better financial support alone will not solve the difficulty. It is time to know why municipal employment does not attract competent persons when reasonable wages are offered. Is the reason because of the low prestige in which the city stands as an employer irrespective of salaries paid, or is it because the methods of the civil service commission do not measure up to those of its competitors in the private employment field?

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Planning  
Super-Highways

Mr. Rightor's article in this issue on Progress of Rapid Transit in Detroit is particularly interesting because it deals both with future rapid transit development and with the

master plan of major thoroughfares. In Detroit, highways and rapid transit are two phases of the same subject and consideration of both has been entrusted to the Rapid Transit Commission. (This commission must be distinguished from the department of street railways which is the operating agency for the municipally owned system.) In pursuance of their duties, the commission prepared a plan of subway and elevated lines for built-up Detroit to cost \$280,000,000; a plan for street widening and street openings in the interior city to cost \$100,000,000; and a super-highway plan for the un-built area within 15 miles of City Hall. Super-highways are broad thoroughfares containing a central right of way for four high speed traction lines, space for four lines of vehicular traffic with elevated cross-overs for express traffic, and 15 foot sidewalks on each side. Construction of such highways is only possible when undertaken well in advance; after an area has been built over it is too late to talk about surface rights of way for rapid transit lines.

The plan provides that as the rapid transit lines leave the super-highways they will pass underground to the subway tunnels to be built in the territory now thoroughly urban.

The part of the plan having to do with thoroughfare improvements and the super-highways has been warmly welcomed by the people. That part proposing rapid transit subways has not met such a favorable reception, largely because of the vast amount of money involved. The latter were to be financed in part by the fares of prospective car riders, in part by special

assessments against benefited property, and in part by the city at large, and this method received the approval of the voters in September 1924.

The original proposal to spend \$280,000,000 for 46 miles of downtown elevated and subway lines was later trimmed by the rapid transit commission to 22 miles and \$135,000,000. But even this amount seemed too large to the Mayor's Finance Committee and the latter's report on a ten year improvement program for the city included a negative recommendation on it. On April 4 of this year a plan of subway routes was to go before the people for approval; but in view of the Finance Committee's adverse report and a rising popular suspicion that subways are neither wise nor necessary, the mayor requested that the proposal be taken off the ballot, with which request the transit commission complied.

Detroit's plan for street improvements and new super-highways is a bold step, fully in keeping with her spirit of adventure, and one for which she will rejoice in years to come. But it cannot be doubted that her skepticism regarding subways is anything but wise. The vicious circle of subways and congestion is now apparent in New York City. Subways have a seductive attraction for growing cities, but unless they wish to invite what Mr. Dykstra calls "congestion de luxe" they will do better to consider whether greater centralization through subways planned on old lines is really desirable. If present signs do not mislead, decentralization is to be the keynote of the next era in city planning.



# TOLEDO CITY MANAGER CAMPAIGN TAKES QUEER TWIST

BY AN INTERESTED BYSTANDER

*The Republican organization packs a meeting called to arrange a city manager campaign, to the discomfiture of the original sponsors. What is the machine's game?* :: :: :: :: :: ::

THE fate of the present movement in Toledo to adopt the manager plan of municipal government apparently rests in the hands of one man, Walter F. Brown, leader of the Republican party in northwestern Ohio and a close friend and adviser of the last Ohio president, Warren G. Harding. Brown has the advocates of the manager plan completely nonplussed as to his next move in the campaign to submit to the electorate the question of framing a new city charter. Through the use of an ancient political trick, Brown gained control of an "independent" city manager association at its very first meeting. Later the city council voted unanimously to submit to the people the question of framing a new charter embodying the city manager idea.

To understand the present status of the manager movement in Toledo, it is necessary to explain the high points in the brief life of the movement.

## WHO DISMISSED JACKSON?

The present mayor of Toledo, Fred. J. Mery, went into office January 1, 1926, with the support of Walter Brown and the Republican organization. It is said that one of the promises which Mery made when he became the organization's candidate was that he would continue William T. Jackson in the office of service director. Jackson had made an enviable record as service director, particularly in the field of city

planning, and Brown and Jackson were both official members of the city planning commission.

Mery waited only until after the county election in the fall of 1926 to bid Jackson adieu. At that election the people voted over \$6,000,000 for public improvements, many afterwards stating that they had voted for the bond issues because they thought that Jackson would be the service director who would spend the money.

Jackson's forced resignation brought a great outburst of public resentment down upon the mayor and the Republican organization. All three newspapers openly criticised the mayor and the Republican organization. But the first real surprise and upset of the political dope bucket came when Brown in a signed statement claimed he was out of the city and knew nothing of the plan to dismiss Jackson. He himself criticized the mayor for the dismissal. To this day the mayor appears to be out on a limb, unsupported by any newspaper and without the backing of a partisan organization. Certainly he lacks the above-board backing of the Brown organization. It is maintained by some, however, that Brown knew and even planned the whole Jackson affair in order to rid the organization of such a powerful personality as the former service director. According to this view, Mayor Mery was made the "goat."

## CITY MANAGER PLAN WAS POPULAR

The dismissal immediately started a cry for the city manager plan. Nine persons out of every ten didn't know exactly what the plan was, but if it could be used to take a whack at the present administration they were for it. The three daily papers came out for its adoption, and it is safe to say that if there had been an election on it within two weeks of Jackson's dismissal it would have carried by an overwhelming majority.

A special committee of the Chamber of Commerce studied the city manager plan and urged its adoption by the electorate.

The report of the special committee among other things recommended the establishment of an independent city manager association for the purpose of crystallizing the movement throughout the entire city and to draw up a charter to be submitted to the people through the initiative. It was the plan of the leaders to have a new charter submitted at a special election during the spring or early summer of 1927 so that the manager plan could go into effect on January 1, 1928.

ORIGINAL MOVERS LOSE CONTROL—  
A PACKED MEETING

A movement for a special election in the spring of 1927 having been started, the sponsors made arrangements for a meeting to organize a new city manager association. A set of governing rules was drawn up in advance, plans were made to select the right kind of a temporary chairman and to speed the entire project. But the leaders made one mistake—probably a fatal mistake for the city manager plan in Toledo. Instead of forming a close association with a few members as a nucleus and then inviting others to join, making certain that every member who did join ad-

hered to the purpose of the association, the democratic method was adopted. Everyone who was interested in the manager plan was invited to be present and to join the association at its first meeting.

Imagine the chagrin of the leaders when, on the night of the first meeting, Walter Brown with his chief lieutenants and with a formidable array of city and county employees, packed the meeting, elected the organization's candidate for temporary chairman, referred the proposed governing rules to a committee, made the temporary organization permanent and passed a resolution asking the city council to submit to the people at the fall election the question of framing a new charter. To say that the advocates of the manager plan were swept off their feet is putting it mildly—it was a complete rout. A "sweeter" example of a packed convention has not been concocted in this city in recent times. Rumor has it that Brown had reserve troops in the persons of more city employees lying in wait at two points in the city to be called into action if needed.

At the meeting Brown, himself, took the floor and declared that he was in favor of the city manager plan in "principle." This set 'em to guessing again. A few days later Brown and his lieutenants appeared before the city council to urge that body to take the necessary legal steps to permit the people to decide whether or not a new charter should be framed. This the twenty members of council very promptly did. In addition Brown asked that in submitting to the voters the names of the candidates for the charter commission (the charter commission is selected at the same election as the one at which the question of framing a new charter is submitted), each candidate if he so desires shall have the right to have printed under his name either the



phrase, "For the City Manager Plan," or the phrase, "Against the City Manager Plan." Council acquiesced in this, too, but Brown's peculiar request again set 'em guessing.

WHAT IS BROWN'S GAME?

What is Brown's game, is a question which has naturally arisen in Toledo. Every move which he has made seems to be in direct antithesis to that which would under ordinary circumstances be expected of the leader of the Republican party, the dominant party in Toledo.

Does he realize that the city manager plan is almost certain to come, as it has already secured a strong foothold in many Ohio cities? Is he, therefore, attempting to control the charter commission to enable him to dictate those

provisions of the charter relative to the election of councilman and the merit system? Or, is he attempting to kill all sentiment for the plan by showing the voters how easy it is for the Republican organization to control anything that it wants to control in Toledo?

One thing he has certainly accomplished; he has delayed action on a city manager charter for more than a year. It is hinted that he is planning to run an exceptionally strong man for mayor at the coming fall election with the hope that if the city manager plan is submitted in 1928, the people will not be keen for a change from the present highly centralized mayor-council type. In any case, Brown has gained breathing time to shape his plans to the best interests of his party.

PORTLAND, OREGON, SEEKS TO SIMPLIFY  
HER REGIONAL GOVERNMENT

BY CHARLES McKINLEY

*Reed College*

*The Report of the Commission for the Simplification of Local Government in Multnomah County, Oregon.*    ::    ::    ::    ::    ::

THE city of Portland, Oregon, has grown up in the southwest corner of Multnomah county. Along its western border stands a barrier of low mountains that swing along the left bank of the Willamette River in a northwesterly direction and, deserting that stream where it gives itself up to the Columbia River, continues down the Columbia valley to the sea. Blocked by this physical barrier to westward growth, the city of Portland, as soon as it had occupied the narrow ribbon of land on the west bank of the Willamette, crossed the river and spread east and north in Multnomah

county and south into Clackamas county almost to the gates of Oregon City. Thus it lies sprawled out over the western half of the level valley that stretches to the timbered slopes of the Cascade foothills. A subordinate stream of population, which is rapidly increasing, has found its way on the west side of the Willamette south and southwest into Clackamas and Washington counties.

SEVENTY-ODD TAXING AGENCIES

The local government of this Portland region is distributed not only between the three counties and some

eight incorporated cities and towns, but among a host of school districts, water districts, a port commission, a dock commission, a library board, etc. In Multnomah county alone there are some seventy-odd agencies possessing tax-levying powers.

Interest in this political confusion within Multnomah county local government has been growing apace among Portland voters. Two years ago this culminated in the creation by the state legislature of a commission to study the problem of simplifying the local government situation in Multnomah county. This commission filed its report with the governor in December, 1926. In that document and its appendices are many interesting facts of population growth which show the rise of a homogeneous metropolitan community, centering in the city of Portland and reaching out in the directions sketched above.

Instead of attempting to work out a detailed system of political machinery, the commission has spent its very limited funds in analyzing some of the basic aspects of the Portland metropolitan situation. It has viewed its task as that of paving the way for a later detailed survey of governmental machinery upon which concrete proposals for simplification might be based. Consequently the report deals with findings of fact relating to the extent and growth tendencies of the metropolitan region, and to certain major public services—water, highways, fire protection—in which the people of the region have common interests.

A detailed analysis is made of the question of extending the boundaries of the city of Portland and of Multnomah county so as to bring within the limits of these agencies the population which because of common economic ties logically belong within the city and county. It is reported that the bound-

ary extensions of the city of Portland ceased abruptly in 1915, the very time when the rapid suburban diffusion for which Henry Ford and his competitors were unwittingly responsible began its greatest rush. This was due, says the commission, not so much to the desire to escape city taxes as to the wish to avoid high rents and acquire homes under favorable economic conditions. In the districts outside the city limits the total absence of building regulations—structural, sanitary and electrical—greatly cheapens the cost of housing. There is also, in many localities, the fear of local assessments for sewer, sidewalk and street improvements which are great handicaps to working people bent on home ownership inside the city. Moreover, while the city boundaries have not reached out, certain key city services have. Thus, water from the Portland system is furnished to a large area beyond the city; electricity and gas are furnished by the utility companies for prices identical with those inside the city. The Portland school facilities are placed at the disposal of a large number of these trans-boundary folk because the school district in which Portland is situated has boundaries differing from those of the city,—boundaries which have been expanded to include an area of approximately 108 square miles as compared with 66 square miles within the city.

#### PROPOSALS TO FACILITATE ANNEXATIONS

The commission makes a group of proposals to facilitate annexation to the city of Portland and to Multnomah county. It suggests a modification of the city policy of financing trunk sewers and main traffic arteries so as to distribute the burdens more broadly. Modifications in the city building codes and the formulation of a state



building code for unincorporated suburban areas are likewise proposed. To prepare the way for ultimate incorporation of certain sections of Clackamas and Washington counties with the city of Portland, the report suggests changes in the law relating to the annexation by one county of parts of another. The rural elements in these two counties are vigorously opposed to detachments which would permit the escape of the suburban fringe into Multnomah county. The report argues for changes in the voting percentages required for detachment and for the creation of a boundary commission which might frame financial terms sufficiently attractive to induce Clackamas and Washington counties to relinquish these districts.

The report further recommends the adoption of two constitutional amendments. One of these provides for county "home rule." This is considered as peculiarly necessary for Multnomah county which, despite its metropolitan character, is today governed under a county system almost identical with that of Wheeler county, which has less than 2,500 people. Moreover, the amendment is regarded as paving the way for readjustments not only in county organization but also in the closer articulation of city and county administrations in Multnomah county and for the assumption by the county of local government functions made necessary by the urbanizing process.

The second constitutional amendment would allow Portland to frame a charter under which it might consolidate its government with that of

any or all the local "bodies politic" in Multnomah county. This would make it possible to merge the government of Portland, with that of Multnomah county, or with the Port of Portland, or School District No. 1, or all the school districts, or with the water districts, or with the town of Gresham, etc. Moreover, the entire mass might be melted together into one centralized or one federal government. The commission does not advocate any particular consolidation, and is careful to point out that the use of this enabling act should be preceded by a careful study of all the factors in the local situation. A majority of the voters outside the city of Portland can block any city-county consolidation plan.

Accompanying the report are detailed studies of certain key public functions, treated from the point of view of their adaptation to the whole metropolitan region. These studies embrace the water service, highways and streets (including some phases of city planning), and fire protection. They show clearly the lack of centralized political responsibility for their administration, because of the maze of agencies involved in each service. They reveal many variations in quality and quantity of service, and in the financial burdens borne by residents in the several localities.

The commission concludes with a reiteration of the preliminary character of its work, and urges the appropriation of public funds to carry the study forward to a point where "a comprehensive and detailed program of local government simplification may be formulated."





COMMUNITY CHURCH AND APPROACH

## MARIEMONT, AN AMERICAN GARDEN VILLAGE

BY BLEECKER MARQUETTE

*Executive Secretary of the Better Housing League and of the Public Health Federation*

*A Cincinnati suburban village for people of moderate incomes which took years to plan.* :: :: :: :: :: :: ::

"ON the second day of February Bill Hepworth had to go out of town on business, and Merry went to Wooster Pike to spend the night with Helen in her attractive home in Mariemont." Thus does Mariemont, "Cincinnati's Garden Village," find its place in the fiction of the day, for this and many similar references occur in "Stepping Out," a recent novel by Beatrice Burton.

A person skillful in word pictures might write a fascinating story of how in three short years there has developed on a site nine miles from the center of Cincinnati, the beginning of this charming village of modest but beautifully

planned homes, as different as one can imagine from the usual drab hodgepodge of cheap houses and mean streets typical of most American cities. Three hundred and fifty families make their homes in this unusual town conceived and developed, not for private profit but for the benefit of the several hundred families who shall ultimately make their homes there.

The founder of Mariemont is Mrs. Mary M. Emery, one of Cincinnati's most honored and respected citizens, who has devoted much of her life to the city's civic betterment. This great plan for a self-contained town, built in accordance with the best principles



of the modern science of city planning, was not conceived or executed in a day or a year. For no less than fifteen years did this great citizen and her personal representative, Mr. Charles J. Livingood, study and plan and work and counsel that Mariemont might embody their ideal of the American city of the future. Every worth-while contribution to the progress of housing and town planning in America, in Europe and in fact in the world, came under Mr. Livingood's observation in his years of travel to inspect at first-hand such examples as the world has to offer in the field of community building. Mr. Livingood's fine artistic sense and his appreciation of the best in town planning and in architecture has placed its stamp on the development of Mariemont, destined to stand as a monument to the vision and generosity of Mrs. Emery and to his own executive ability. It had been for many years a dream of Mrs. Emery that Cincinnati might provide an example of how well people of moderate means can be housed in America today by avail-

ing ourselves of the possibilities of good planning, large-scale building and good housing standards. It is now given to Mrs. Emery within her own lifetime to see her ideals actually taking form in one of the finest communities of its kind in the country.

#### NOT A PHILANTHROPY

Do not imagine that Mariemont is a philanthropy. It is not that. It has none of the narrow paternalistic qualities that have wrecked many housing developments in the past. It is not intended for the extremely poor, nor is it strictly a workingmen's home development. It was not projected for the purpose merely of building more houses or of meeting the housing shortage. Neither is it a laboratory for testing out radical theories in housing. Rather the aim was to demonstrate how much better, more attractive and more liveable our American communities may be if we but plan intelligently, build substantially and take cognizance of the value of beauty in placing and designing a home.



ONE OF A GROUP OF HOUSES WITH BACKGROUND OF TREES AND ATTRACTIVE PLANTING

Mariemont is not a profit-making scheme. Dividends are deliberately limited to six per cent upon the money invested. Yet it is in the main a normal real estate development, except that everything about the town was planned in advance and built in the best possible way, and neither pains nor money spared in the effort to safeguard the interests of the future owner or builder. Its homes will be of various types, sizes and materials, as would be true of any sizable town. Its inhabitants will be families of a wide range of income varying from those living in the one-, two-, three-, and four-room homes in the modest Dale Park section, where they can rent flats and houses for \$35 and \$45 a month, to others able to afford the more costly detached single family homes whose rents range from \$75 to \$100 a month. Families of modest income—skilled workmen, clerks, office people—no doubt will make up a considerable proportion of the population, with a sprinkling perhaps of unskilled wage earners. In the course of events fortune will smile upon some of these families in the Dale Park district, and their economic status will improve perhaps to a point that their aspirations will be no longer satisfied with a modest four- or five-room flat. Instead of being compelled to move out of Mariemont, whose advantages they have learned to appreciate as a home community and where they and their children have established cherished friendships, they will have no difficulty in finding larger houses better fitted to their needs and their means, or indeed they may buy themselves a lot and build a home to their own liking.

Rents are not as low as it was hoped originally they might be, one reason being that construction was begun at what proved to be the peak of prices. Another was the effort to make Marie-

mont an outstanding example of the advantages of good planning and good building. Had the purpose been primarily low-cost homes, many things would have been done differently.

#### EIGHT YEARS TO ACQUIRE SITE

The location of the town is nearly ideal—not due to chance or any particular stroke of good fortune, but because the site was chosen after the most painstaking search and study. The story of how the land was gradually acquired, plot by plot, over a period of eight years without the public suspecting what was happening until the entire tract had been acquired, is of itself a fascinating story and gives some conception of the size and difficulty of this great undertaking. Mariemont is near enough to Cincinnati to be readily accessible, and enjoys all the advantages that a large city affords. There are now a direct street car line and several bus lines which carry the Mariemonters to the business center of Cincinnati in less than forty-five minutes. It is far enough away, on the one hand, to be protected from the noise, smoke, dirt and confusion of the city. As the prevailing winds in this locality are from the southwest, there are always cooling breezes wafted over the town in summer. Overlooking the little Miami River and its broad valley 100 feet below, Mariemont has the advantage of a wonderfully attractive view. The happy part of it is that this view is preserved forever to the community by Mrs. Emery's gift of a concourse and boulevard overlooking the lovely valley and the distant hills. How wise was the choice of this location is indicated by the fact that almost at the same time that Mariemont has developed there has grown up on Indian Hill nearby, one of Cincinnati's very finest residence sections.

The plan of Mariemont provides for



a complete, self-contained town with a town center and a village green like those found in the typical English towns. Around the town center will be grouped the principal buildings, the town hall, library, post office, hotel, theatre, stores—every facility to meet the demands of modern life, all within easy walking distance of the homes in the town.

#### RESIDENCES PROTECTED FROM INDUSTRIES

Essentially, Mariemont is a residential community, and there will be no industries in the town itself. Yet two industrial sections with rail and highway connections are provided for, one at the west end of the property and the other along the banks of the river nearly 100 feet below the town. Natural barriers protect the homes of Mariemont from both of these industrial sections.

The street plan consists of major highways radiating from the town center and secondary residential streets with service lanes or alleys in the rear of the lots.

The first community structure to be built was the church. It is constructed of native stone in Norman style—on the order of the little church in England in which William Penn and his ancestors worshipped and in the yard of which Gray wrote his famous "Elegy." Its rafters are made from huge oak beams hewn by hand. They were taken from an old mill that had stood near the site of Mariemont for more than one hundred years. The roof of the church will be of stone imported from England. It is a non-sectarian church open to every citizen. Probably nowhere in Hamilton county is there a church that excels in quaint charm this little community place of worship in Mariemont. Sites will be preserved in other sections of the town so that citizens

may build denominational churches as the demand arises.

The first school building has already been constructed and is full to capacity. Planned with the same thoroughness as all the other features of Mariemont, the school is modern in every respect and well adapted to the best school practices.

The three hundred and fifty homes that already make up the town represent only a beginning of what is to be. Dale Park section, consisting mostly of attractive row houses, is the only part of the town anything like completely built up. Nor has the company the intention of trying to build all the homes. With Dale Park section nearly completed, groups of homes have been built in other sections to give an idea of the type of development desirable in those sections. The town center and perhaps a few more homes will be constructed, but for the most part the remainder of the lots will be sold to prospective home builders. Fortunately every lot in the town is practically as good as any other—no buyer will have any difficulty building upon any lot. Twenty of America's leading architects designed the attractive homes built by the Mariemont Company. All designs were developed in accord with a central plan, resulting in a harmonious development that constitutes one of the town's most attractive features. With a population of close to 1,000 people now, and with home sites to provide for 500 additional families, Mariemont will some day have not less than 4,000 or 5,000 inhabitants, and will be the center of a still larger population of at least 10,000.

#### ALL HOMES RENTED AT FIRST; TO BE SOLD LATER

In the beginning all homes in Mariemont are being rented. Eventually all will be sold, and Mariemont will be placed in the hands of its future citi-

zens to control its destinies as they will. The restrictions run with the land for fifty years. The village will in the near future be incorporated under a charter form of government based upon suggestions of the New York Bureau of Municipal Research with a small council and a city manager.

Cincinnatians have watched with a keen interest the growth of Mariemont from a paper program three years ago, to a thriving community with its stores, church, library, school, inn, parks, playgrounds, athletic fields, and with a rapidly developing community life that vies already with that of the many community-conscious suburbs of Cincinnati. Cincinnatians drive through in large numbers, Sundays and holidays, studying each new development, inspecting the various types of houses, commenting on the high lights of its architectural scheme, marveling at its attractive group houses (a type of construction comparatively new to Cincinnati), dining at its inn, enjoying the magnificent view from the concourse. Almost every wide-awake citizen of Cincinnati knows about Mariemont. Generally speaking he recognizes this new town as a real asset, though he may not always have an accurate understanding of the how and why of its development. His conception of housing developments is long rows of cheap houses for families of the lowest income, and he is only slowly learning that it is practically impossible today to build new homes within the means of the very poor, and that it may be just as worth while to build a town like Mariemont as an example of what good planning and modern housing standards mean in terms of more attractive, liveable homes for middle-class American families.

He is interested to see the effect of the intelligent thought that has been given to the architectural features of

Mariemont. He realizes that there is something different here from almost every other residential community he has seen either in Cincinnati or elsewhere. He knows that the purchaser of a home in Mariemont gets something he cannot buy in other residential subdivisions—the assurance that every part of his house is carefully built with the highest grade materials. He learns that every home is provided with running water, bath, electric lights, telephones, natural gas for cooking and all the essentials of good housing. He notes that every house is laid out so it will receive the maximum of sunlight and the advantages of cross or through ventilation. He observes the complete absence of overhead wires. He is informed that the street paving, the curbs and sidewalks are of the most durable type. He learns that practically all the buildings in the vicinity of the town center including the apartment houses and small dwellings are heated from a central heating station, assuring a minimum of smoke and dirt from heating plants. He sees how the ample yards, the setbacks from the street and the space between the houses prevent congestion. He finds that except for a few public buildings, stores and apartments in the town center, no building more than two stories high will be erected here. He is impressed by the fact that every facility to meet the normal needs of the community has already been provided—stores of every kind, movie theatre, community hall, branch library, building and loan association, school and church, mail delivery to homes, though the town is scarcely out of its swaddling clothes. He knows that the homes in Mariemont have been so built that they will not deteriorate or ever become an eyesore to the community, and that all future homes are guaranteed an ample share of fresh



air, sunshine and open spaces by means of careful zoning, parks, and allotment gardens. He learns that all underground utilities have been so laid out that the streets will not be ruined by constantly tearing them up to make connections for gas, telephone, water, sewers—these connections having been extended to every one of the 750 house lots before any streets were laid.

#### PUBLIC SERVICES WELL MAINTAINED

He learns, too, that Mariemont has a maintenance organization that not only keeps the streets clean, removes the garbage and ashes, but looks after the parks, playgrounds, planted strips in order to insure their proper upkeep. He sees how all these things have helped to develop a fine community spirit—its attractiveness, its community club, its men's club, its active parent-teachers association, its Christmas parties, Fourth of July celebrations, Halloween parties, community dinners and even its weekly paper.

He cannot but be impressed by the wonderful assets that the citizens of Mariemont will acquire in the parks, playground, athletic field, concourse and boulevard which Mrs. Emery will bequeath in perpetuity to the town she has created.

It is a source of real satisfaction to have been even in a slight degree a participant in the development of this worth-while community. City planning and housing boosters in general, and the city of Cincinnati in particular, owe a great debt of gratitude to Mrs. Emery and Mr. Livingood for having undertaken the responsibility involved in carrying out this project. Few people have the slightest conception of the enormous amount of hard work and worry that has fallen to the lot of these two fine citizens, whose only reward will be the satisfaction of knowing that they have made an outstanding contribution to the cause of better housing and better town planning.

# OUR AMERICAN MAYORS

## VII. W. FREELAND KENDRICK OF PHILADELPHIA

BY T. HENRY WALNUT

*Philadelphia*

*Mayor Kendrick is not a reformer, nor even a distinguished machine politician. As an inveterate "joiner" of secret societies, he owes much to his famous smile. He has kept peace with the Republican organization which elected him, but he will be best remembered for his nerve-racking experience with General Butler and the ill-fated Sesqui. ::*



MAYOR KENDRICK OF PHILADELPHIA

IN writing about the Mayor of Philadelphia, we are largely thinking of the city itself; of the two million people who make the city and who also made W. Freeland Kendrick mayor.

What sort of a man he is, why he was chosen, and what he has done are important because of that mass of humanity whose composite personality he expresses. The mayor exemplifies for a time the kind of government the people of the city want and their conception of what the city means to them.

By way of illustration and perhaps comparison as well, a dash of history will help. It is history that is only fifteen to twenty years old, but it seems quite ancient and faded. It was the period between the time that Lincoln Steffens labeled Philadelphia as "corrupt and contented," and the election of Blankenburg as mayor in 1911. The town may have been corrupt—there was a great babel of voices assuring us that it was—but it was certainly not contented. Reform was a cherished word. There was a distinct cleavage between the reformers and the gang. The reformers were well organized and persistent; they survived defeat after defeat with indomitable resolution. Men don't cling to a cause with pertinacity—an unprofitable cause—without a common belief in some principle. While the quality of the belief may have varied with the individual, there was a fixed idea that the city administration was run by those in control for the benefit of themselves and their friends only, and that jobs and contracts, street repairs and lamp-posts, liquor licenses and prosecutions went by favor.

In making the last great effort, the forces of discontent fell in behind Blankenburg as their candidate for mayor. He came by his leadership naturally. For thirty years he had



been the "war horse of reform." He was a memorable man, large and broad-shouldered, with a white beard flowing over his chest; the whitest beard I ever saw. It looked like a shining banner to follow to a holy war. There was something extraordinarily inspiring in his personality. He had a significant peroration to his speeches, which he delivered in a voice of appealing sincerity—"I want to see a city healthful, a city sound and prosperous, a city beautiful, a city saved. I love this city, its streets, its homes, its people. I love it all, my city, thy city, our city." He would fling out his arms with a final gesture, then wrap them about him, as though the city were a concrete desirable thing, a person that he was embracing. The crowd perhaps did not see the vision with this clarity, but caught something of it, and certainly gained a conception of a distinctly personified city that was worthy of disinterested loyalty and self-sacrifice. It also conceived of a mayor and a city administration that would act solely for the good of the city as a whole, without regard to personal or political attachments.

#### PHILADELPHIA TURNS FROM REFORM

The attempt to realize the vision was more than half tragic. The "old war horse" must have died haunted by the conviction that he had failed somehow to make his fellow citizens understand.

This history is used to make clear the assertion that W. Freeland Kendrick is not tainted with reform. We have had no reform heroes since Blankenburg. Reformer, bolshevik red, have been almost interchangeable epithets in Philadelphia; they are all applied to persons who are lacking in the sense of rhythm that keeps the crowd in step.

To follow Kendrick's course to the mayoralty, it is best to start with his

arrival at the age of twenty-one and his contemporaneous admission as a member of the Masonic fraternity. As we say of the successful, his rise in the order was rapid. He held several posts of distinction. Then in 1905 he was elected illustrious potentate of the Shrine.

In the newspaper of May, 1909, is a picture of an attractive young man in a tasseled cap bearing the insignia of the scimitar and crescent. The story about the picture relates to a pilgrimage of the Shrine to Louisville, Kentucky, and remarks:

At the head of the caravan will march W. Freeland Kendrick, than whom none has done more for that ancient and Arabic order, which has its headquarters in Lulu Temple. Four years ago he was its illustrious potentate and has to his credit the unusual record of succeeding himself three times, the last two elections being unanimous. His countenance is frank and open, his smile is winsome, and when he speaks his words are sharp, clear cut, incisive and wholesome.

There was additional information to the effect that he was the unanimous choice of his fellow habitués of Lulu Temple for the office of imperial outer-guard of the Shrine of North America, which is in the line of succession to the office of imperial potentate.

Certainly he had the personality which attracts the average man. The Shrine grew in size and spirit. "Free" Kendrick became a popular figure, and Free's smile one of the city's points of interest, something you should not fail to see, like Niagara Falls or Abie's Irish Rose. I heard of it ten years before I saw it.

#### ELECTED TO PROFITABLE OFFICE

The Shrine isn't a political organization, but there are many politicians in it, and a perennial illustrious potentate must have some outlet for ambitions. In 1911 his name was advanced as a

candidate for mayor, but the time was not ripe. His name was withdrawn, and he supported William S. Vare, who was unsuccessful, but who has since been elected United States senator. Two years later he was slated by the Republican organization as its candidate for receiver of taxes, a highly prized place.

He was scorched a little in the course of this campaign, by the *North American*, which then was one of our morning newspapers. It has since been embodied in the *Public Ledger*, and the fierce light that once streamed from it has been cloaked.

It turned its light upon Kendrick and pictured him in some sort of unholy connection with two stock-selling companies, the Monaton Realty Investment Corporation and the American Assurance Corporation, and charged that he was paid extravagantly for the use of his name among the Shriners.

The first company had already sunk with the investors' money, leaving behind it little or nothing save a few bubbles of civil litigation and criminal prosecution. The second was still in existence. It was damned by being described as "the burial ground of wrecked insurance promotions." Whether it survived the description, I don't know.

He was elected, nevertheless. The light shed by the *North American* was frequently like some sinister ray that seared its subject but gave him an unreal look. People sometimes failed to recognize the man they knew in the victim or voted for him out of sympathy for his sufferings.

For the following ten years he was reelected annually to head the Shrine, and quadrennially as receiver of taxes. In 1919 he became imperial potentate of the Shrine of North America, and extended his acquaintanceship.

Whenever a mayor or governor was

to be selected, W. Freeland Kendrick's name was certain to appear in the newspaper list of those under consideration, ordinarily coupled with the comment that Mr. Kendrick when interviewed stated he had given the matter no consideration.

#### TURN FOR MAYORALTY ARRIVES

In 1923, however, his turn arrived. He was taken as the candidate of the Republican organization for mayor. There was a rattle of opposition at the primary which was futile. The election was all but unanimous and the mayor-elect, with a two months pause before he was to be inaugurated, proceeded to the appointment of the directors of departments who constitute his cabinet.

In Philadelphia, since the beginning of the century, a mayor who keeps at peace with the organization has been followed by one who wars with it. City councils are always controlled by the Republican organization. A mayor at peace with councils is criticized for all the iniquities of the organization, but he gets the money to spend on public improvements. A fighting mayor receives applause for a while, but he gets no extra money from councils and ultimately is condemned for doing more fighting than building.

#### GENERAL SMEDLEY BUTLER ARRIVES ON SCENE

Kendrick's predecessor was a fighting mayor. There was some listless speculation as to what Kendrick would do—listless, for he was expected to go along in close harmony. The naming of his directors, however, displayed a few individual touches. There was at least one fraternal brother, and there was also Brigadier General Smedley Darlington Butler, director of public safety, whose appointment was both unique and daring. The General in



addition to being a military man didn't live in the city, and to go outside for a man to hold important office shakes the city's foundations. Nevertheless, the newspapers were blithe and appreciative. The appointment was a good story and promised more.

Shortly after the appointment had been made and while the mayor was still gilded with the radiance that act had given him, he and his nominated directors were the guests at a banquet of the Order of Artisans.

The General was present and spoke in that ejaculatory way of his:

I've talked this job of mine over with the Mayor. I tell you he's a man, through and through. We marines are one-man dogs. He is my commander. He wants me to clean up. Enforce the law—all laws; I obey orders.

The final introduction was, "His Honor the Mayor, Brother W. Freeland Kendrick of Assembly No. —."

He was a brother Artisan. He was divers kinds of a brother. Charlie Grakelow, director of welfare, is alleged to be ninety-two kinds of a brother, and his chief is probably runner-up to that record. In any event, he is intimate with all that great diversity of congregations that get together six nights of the week in all the lodge halls of the city with wardens at the outer and inner portals.

The time between the election and inauguration is the most exalted of a mayor's career. The whole town turns a smiling face toward him and wishes him good luck. He has a thousand invitations to speak. He could employ a staff of official banqueteers. His head touches the clouds; he looks beyond City Hall to the State Capitol, and an ex-imperial potentate may well look further still.

When councils organized, its president, Charlie Hall, leader of the old 7th Ward, spoke of mayor, councils and the

Republican organization as a "band of brothers."

The city had spent comparatively little money on improvements during the preceding two administrations; first, because of the World War and second, because of the war between mayor and council. The future held enormous promise of the expenditure of more millions than the town had spent in its entire life. That of itself was a loadstone to keep the crowd together.

#### BUTLER HOLDS THE SPOTLIGHT

The mayor who can ride the Republican organization and at the same time ride the newspapers, and that vague tenuous thing called popular approval, is an acrobatic horseman. Kendrick undertook to perform the feat. At times it required rare balancing, particularly when that two-gun, two-fisted, roaring, snorting, marine, in charge of the police, climbed onto the back of animal number two, almost squeezing his commander off, and began roweling and kicking animal number one. Since we have suggested the General's part in the performance, we might as well finish his career; he was the center of the play and the orchestral accompaniment of the first two years of the administration.

To begin with, he was a man of rapid motion, and the newspapers loved him! The mayor was sworn in on January 7 and, under date of January 10, 1924, a newspaper man writing for an out-of-town paper—the outside world appears to have been interested in what Butler would do to Philadelphia—wrote:

But even here in Philadelphia, W. Freeland Kendrick can scarcely horn into the newspapers at all, and that, despite the fact that his administration is barely three days old; everything is Butler.

This correspondent was writing a story about Kendrick as "the Man Behind Butler." To shine in the reflected glory of his subordinate is not the happiest way for a newly-elected mayor, with the exalted proportions incident to that state, to be set before the country and presented to his fellow Shriners of North America.

The General promptly began shifting the police from district to district, decapitating a few officers and demoting others. This was extremely disconcerting, and some of the little political fellows from the wards rushed to protest, and were immediately blasted as exemplifying the forces of insidious politics at work on the police system.

The big fellows were far too canny; they kept safely out of reach of the storm and whispered that the disturbance was temporary. Butler would not last. In about two months, however, Big Tom Watson, leader of the 22nd Ward, in an unguarded moment at a banquet made some remarks, and the General replied in Watson's ward the following night with a talk about political crooks and robbers, and the following day made it very plain that he referred to Big Tom himself. Now Mr. Watson was pretty big game. In addition to leading his ward, he was city treasurer, and chairman of the Republican City Committee.

"Butler Defies Watson" made a headline that was intelligible and interesting to the city. It may not sound so extraordinary to the uninitiated, but when you consider that the Republican organization controlled the city, that Watson was its official head, that it considered the mayor as one just selected by it to run the government with and by its advice and under its general direction, it was outrageous to have a subordinate of that mayor rise up and publicly smite the master.

The situation looked serious, but

Charlie Hall, god-father of the "band of brothers," by skillful diplomacy smoothed the matter out and the hullabaloo quieted down.

#### TO FIRE OR NOT TO FIRE BUTLER?

But it broke out again early in July in an intensified way. For at that time the General picked on Charlie Hall himself. The president of council was indignant; he called upon the mayor with Congressman William S. Vare, city leader, and demanded that the director be shut up or fired. The storm was on again. It surged through the headlines for the next three months. The reporters picked up the General's fusillade, and then pestered the mayor with questions, "Will you, won't you, won't you, will you, fire Butler?" The mayor was sick of the whole business; he said so. It was a hard problem. If he fired Butler, he would be charged with yielding to a political demand. There would be a great outcry and he would lose the prestige and news value Butler gave him in the city and state beyond. If he did not, he was in a fair way to lose the organization and the money for his great building program. So he did nothing for a while, which is often the best policy in a political impasse. Unsolvable problems in time solve themselves, or perhaps may be put on the shelf and forgotten, unsolved.

It was unpleasant, however, for the newspapers announced one day that he hadn't the nerve to fire Butler, and the next that he hadn't the nerve to keep him.

Butler didn't help the situation particularly. He had a vigorous vocabulary with which he described the state of the mayor's backbone and his lower internal organs in a snappy way.

On September 24 appeared the heading:



Mayor Asserts He's Not Afraid to Fire Butler—Declares He Had Courage to Name Him and Has "Nerve" to Oust Him.

The day before it had been announced:

Kendrick Prepares Letter to End Butler Crisis—Delays Delivery on Learning Director is on the Verge of Pneumonia.

It was the pneumonia that solved the problem. Gossip suggested that the General cultivated it, by conducting a bad cold into a parade on a wet and rainy day.

For a week the newspapers discussed temperatures, blood pressures, congested lungs and the like and on October 2, Butler visited the mayor; afterwards both expressed themselves pleased. The crisis was passed; Butler stayed another year.

In the following July he rose again, and this time fired upon William S. Vare over the shoulder of one of the Common Pleas judges. The newspapers were greatly excited, but the mayor was non-committal. The excitement died down. As Butler's second year of absence was approaching its end, demonstrations were staged to show the President that his leave of absence should be again extended. The mayor participated, but the President was obdurate.

The General resigned from the Marine Corps—the mayor coldly remarked, "You have put me in a hole, I've made other arrangements; I don't want you, that's all," whereupon the General retorted, "So I've smoked you out at last," delivered a magnificent final attack, withdrew his resignation and departed.

#### ADMINISTRATION AT PEACE WITH THE MACHINE

Although the police department was the great splash of color during the

first two years of the administration, the other departments were functioning as the rising cost of government made plain. The budgets grew—1924 was sixty-four million, 1925 was sixty-nine million, 1926 was seventy-six million and 1927 was eighty-three million. The earlier budgets of the administration were carefully prepared, but the last displayed the weariness which overtakes an administration toward the end of its term; it was five to seven millions in excess of the estimated income for 1927, and was submitted to councils with the information that therein was the total of the estimates of the several departments and councils should pare the estimates to fit the income.

The expenditure of borrowed money mounted perpendicularly from \$20,000, 000 in 1924 to \$59,000,000 in 1925; the figures for 1926 and 1927 are even greater.

We built furiously. Several city departments could point proudly to their accomplishments.

Moreover, the mayor had dealings of large importance with the Pennsylvania Railroad and the local public service corporations. For many years the former has wanted to transfer its station for through traffic away from Broad Street, in the center of the city, to its 32nd Street Station on the west bank of the Schuylkill River. An agreement to that effect containing many provisions was entered into and was received by the press with approval. The lease of the city's gas works to the United Gas Improvement Company came up for consideration. Its twenty-year term expired in 1925. When the matter had previously been under discussion in 1905, it had raised an issue that turned the town upside down politically. The attitude of the present administration was carefully watched with the historic precedent in

mind, but the new lease was executed without stirring a ripple of complaint. The Philadelphia Rapid Transit Company, under the management of Thomas E. Mitten, wanted a number of things from the administration. It got them.

Taken all around, there has been no administration in twenty years which to all appearances has succeeded so admirably in living at peace with the Republican organization and the big public service corporations, and at the same time in avoiding any pointed criticism or popular outcry.

At that, the job of mayor hasn't been one of peace and tranquillity. The biggest end of any mayor's job is politics. It is an everlasting struggle with men who want something out of him and men out of whom he wants something. Fifteen to twenty years of service as illustrious potentate of the Shrine is not to be discounted as a training school, but that in a sense was mock politics, the real thing is many shades fiercer.

#### THE SESQUI

The Sesquicentennial Exposition really wasn't the mayor's child. It had been conceived and born before he took office, and had been scandalously disowned and dishonored. Philadelphia never did take to the exposition, it had troubles enough as it was, and rather thought expositions belonged with the dodo.

One leader after another undertook to put enthusiasm and vigor into the project, grew discouraged and retired. Money was raised in quantities and poured into the affair, where it promptly disappeared. Finally the mayor himself had to become chairman of the Sesquicentennial Exposition Association. More money had to be raised. What could be secured from the sale of bonds to private in-

dividuals wasn't enough—a quantity of bonds were sold, however, which are worth today about as much as pre-war Russian bonds. So the city had to step in and add many millions. It may be said for the mayor he did put the exposition over. He stood before a disheartened committee which wanted the affair continued for a year, and swung it to his point of view. The result, however, was mostly tragedy. The Shriners of North America were invited to the opening. This might have been a glorious opportunity for the ex-imperial potentate to act the part of distinguished host, but it must have been a disconsolate occasion.

The Sesqui itself was at the time in the throes of construction. The visitors were outrageously rained upon. There were oceans of mud. The fezzes could be seen all day mingled with the crowds at Broad and Chestnut Streets. They looked a bit aimless with the air of being all dressed up and no place to go.

In the fall the sheriff was about the busiest man on the exposition grounds; his deputies were squatted all over the place. Every now and then you hear of some concern that invested its capital in a Sesqui job and, not getting its money, has gone under. There is still about \$5,000,000 in current debts outstanding, payment of which is being withheld while diverse interests engage in interminable disputes. It is reasonable to assert that the Sesqui itself was quite enough to mar the peace and tranquillity of any administration.

#### THE HOME STRETCH

The mayor is now in the fourth and final year of his administration. The "band of brothers" is still presenting a united front. Back of it is the Republican organization still intact, and back of the organization have been massed the voters of the city. That



was proved at the senatorial primary last May.

There is talk of an independent movement in the coming mayoralty fight this year, but it displays no real substance or leadership and no accepted issue. The town is inert, but it is full of whispers, which assert that the power behind the mayor has consisted of Jules Mastbaum, who recently died, formerly a leading real estate man and president of the Stanley Company of America, the local—now more than local—moving picture concern; Albert M. Greenfield, leading “realtor” of the city and Thomas E. Mitten, head of the Rapid Transit Company. These men are suggested as the urgent force that compelled the Sesquicentennial Exposition. A story in general circulation and rather gleefully received concerns one of the Rapid Transit Company airplanes, that for a time plied between the Sesqui grounds and Washington, D. C. It was named W. Freeland Kendrick, and on it was discovered the phrase, “Under Mitten Management.” The relation is greatly appreciated.

The whispers concern themselves much with money, and were so persistent that, not long ago, the mayor issued a statement, attacking the poison squad, and denying seriatim a number of scandalous stories. He had not received or collected money, he had no large bank deposits in his or Mrs. Kendrick’s name, in this or in other cities; Mrs. Kendrick was not a silent partner in a lumber company or any other company, and she had no parking

or other concessions at the Sesqui, and he was not planning to build a palace in the city suburbs at the completion of his term of office. He only picked the more salient of the whispers. There is a new one sprouting every few days. The town just can’t be convinced that all the money spent has escaped side pockets. Charlie Hall, president of councils, asserts proudly that he is worth a million dollars, which doesn’t run counter to the conviction.

Usually the vulnerable flank of an administration is the police department, but its conduct has not been attacked for four years. Moreover, until March 27 of this year no responsible individual association or newspaper had made a specific charge against the work of the administration. On that date the Committee of Seventy particularly specified an item of overcharge for excavation on the subway in the amount of \$500,000, together with other lesser overcharges.

The end of the mayor’s term, notwithstanding the appearance of solidarity in the potent political and corporate forces back of him, is full of trouble. We are not idealists in Philadelphia. That old’ Blankenburg reform stuff was so much frosting on the window, pretty, perhaps, but it prevented clear vision. We now understand the meaning of the city. It is a place where people gather to meet others and to be met for common profit. It is fitting that it should have selected, during the ascendancy of this conception, the high priest of the “meeters” to be its chief and spokesman.

# THE PROGRESS OF RAPID TRANSIT IN DETROIT

BY C. E. RIGHTOR

*Detroit Bureau of Governmental Research*

*Detroit is now deciding whether to spend millions for subways. The master highway plan proposed by the Rapid Transit Commission is being carried out, but no plan for subway or elevated systems has proved acceptable.*    ::    ::    ::    ::    ::    ::    ::

SINCE 1913 the city of Detroit has been considering the possibility of supplementing an inadequate street railway system with some form of rapid transit.

In that year a board of street railway commissioners was authorized and appointed, to study the problem. In 1915, this commission issued a comprehensive report on the transportation system of Detroit, which was prepared by Barclay Parsons & Clapp. At that time the population of Detroit was about 650,000 and its area 42 square miles. (Today, the population is estimated at 1,400,000, and the area is 139 square miles.) The report contained many critical suggestions with respect to the operation of the street railway system, but the principal recommendation with respect to rapid transit was for a double-track subway system extending from the heart of the city to about six miles out Woodward Avenue.

The war prevented any serious consideration of this plan, and in 1918 a supplementary report was made by the same engineering firm, recommending a large extension of the rapid transit idea, notably by the use of elevated structures on the principal radial streets, with short sections of subways in the central portions of the city.

The commission believed that these proposals could be made self-supporting if the city would advance the funds for the initial construction, the entire

property to be unified with the street railway system, and operated under private ownership. Mayor Couzens differed with the members of his commission on the subject of private ownership and operation of the unified street railway system. As a result the commission resigned, and no further progress was made.

In December, 1922, the mayor appointed a rapid transit commission of five members, which commission was officially recognized by a charter amendment adopted in November, 1923. In the meantime (April, 1921), the city had acquired ownership of the Detroit United Railways, so the question of public ownership of the lines was not of importance. The new commission consisted of Messrs. Sidney D. Waldon, Willard Pope, Clarence W. Hubbell, Andrew H. Green Jr., and Herbert W. Alden, and the personnel has remained unchanged. The original letter of instructions to the commission was as follows:

Study Detroit's history and present situation and estimate its probable future growth.

Lay out a comprehensive plan of rapid transit routes to serve the whole metropolitan area to the 15-mile circle.

Select from this comprehensive plan those sections of lines necessary to meet Detroit's present needs.

Estimate the cost of such initial rapid transit system and prepare a financial plan that will carry the project through.



Prepare the necessary enabling legislation and charter amendments to make possible such rapid transit financing and construction, and obtain its passage by the legislature and approval by the voters.

Submit to the voters a plan of routes as recommended for the initial system.

When routes have been approved by the people, begin construction.

During the four years that have intervened since the appointment of the commission, it has faithfully carried out its instructions. Rapid transit lines have been laid out for the principal radial and crosstown streets of the city, the entire plan comprising 46.6 miles of subways and elevated lines, estimated to cost \$279,600,000. Necessary legislation was secured to permit the construction of this system, and for a plan of financing it. Further, plans were laid for the widening of several miles of arterial streets within the city limits to relieve vehicular traffic, and for the construction of 217 miles of super-highways, 204 feet wide, and other principal highways, in the outlying sections.

#### THE MASTER PLAN FOR HIGHWAYS

The plan of the rapid transit commission relative to highways, curiously enough, is the one that is being carried out. The "Master Plan" of highways for the city has been approved by the common council, and an annual tax of \$1 per \$1,000 has been approved by the voters for meeting the city's share of the cost, which is about one-third, the remaining two-thirds being met by assessments against benefited property owners. The entire cost of this interior system of highways is estimated to be approximately \$100,000,000. In addition, many miles of super-highways and principal highways have already been widened, and in some instances paved, through the action of inter-county highway commissions

(Wayne-Oakland counties, and Wayne-Macomb counties) whose creation was especially authorized by law. Other highways are in process of acquisition and improvement. These super-highways, owing to their width, provide for ample vehicular traffic and for four lines of rapid transit system without underground facilities in case such improvements are desirable. Elevated cross-overs are also provided where necessary. This improvement has met with wide favor throughout the community, as well as nationally, and Detroit with its environs presents an example, through the wisdom of its rapid transit commission, of a city looking ahead to the time when narrow country highways will be legendary.

#### FINANCING NEW SUBWAYS

In the matter of a rapid transit system by tunnelways, the commission has not met with equal success, principally because of the financial obligations involved. The commission, realizing that the city was near its bonded debt limit, or at least the limit under which bonds could be sold in the New York market, was compelled to find other means of financing the system. Further, it was instructed to avoid increasing taxes and to keep fares at a minimum. It is doubtless an ingenious, and to the minds of some, an ingenious, idea that a subway system is designed to relieve surface traffic, and therefore may be considered as a second underground street. On this analogy, it was deemed both legal and just that a considerable portion of the cost of the transit system should be assessed to the benefited property owner. Therefore, the plan of financing the entire cost of the permanent way and equipment of the highways, as recommended by the rapid transit commission to the common council, provided that 51 per cent should be assessed

against the benefited property owner; seventeen per cent be paid by the city at large, through annual tax levies over a period of years, or by bond issues; and 32 per cent be financed by mortgage and trust equipment bonds, the interest and sinking fund charges of which were to be paid by the car riders.

Data were gathered from New York, Chicago and Philadelphia indicating the rise in property values that followed the opening of rapid transit systems, and on this basis it was estimated that increased values would follow in Detroit. It was also estimated that an average annual benefit assessment ranging downward from five cents per square foot to one-half cent per square foot, on land values affected, depending upon the distance from each station, and over an area extending one-half mile on either side of the line, would be sufficient to meet the total proximity assessment on locally benefited property of 51 per cent of the cost, which was to be assessed against the property owners. Such assessment, by state law, must be prorated over a period of ten years. The financial plan was reported fully in the press, and on order of the council was published daily for the month preceding its original submission to the voters on September 4, 1924, including the recommended plan of distribution of the cost. This plan never received much discussion on the part of the taxpayers, and the general plan—without provision as to the percentages here stated—was approved by a vote of 72.7 per cent. A subsequent charter amendment (providing principally that direct taxes may be levied for such purpose up to one-sixth of one per cent of the assessed valuation in each year, or in lieu thereof may be raised by bonds; no more than 60 per cent of the total estimated cost of the system to be by direct taxation and bonds on the faith and

credit of the city together; and special assessments shall be prorated over a period of not less than ten years), was approved on November 3, 1925, by a vote of 73.2 per cent.

#### SERIOUS QUESTIONS ARISE

The rapid transit commission went before the council in August, 1926, and requested that the complete system of 46.6 miles of elevated and subway construction be placed upon the ballot at the November election. This the council declined to do, believing that the period of time was too brief for the public to study the proposition adequately.

Subsequent to public meetings and discussions, the rapid transit commission concluded that it should modify the plan originally submitted, and on February 8 presented an alternate plan to the council, calling for 21.7 miles of double-track subways, limited to the Woodward-Fort and Grand River-Gratiot lines. This proposal was to cost \$135,000,000.

With an actual plan of routes before them, the public commenced to take an active interest in the proposition. Very few would dispute the proposition that Detroit needed some form of traffic relief, and some form of rapid transit. It was found, however, that the plans of the rapid transit commission were not uniformly acceptable, and many questions were raised.

For example, it was questioned whether the project did not involve the further extension of municipal ownership; whether the plan was not too costly; whether the large expenditure would not jeopardize the industrial and economic well-being of the community; whether the proposed expenditure, was only an initial investment, ultimately to cost several times the amount; whether, while the city's bonded indebtedness was not increased,



the entire cost would not still be borne by the wealth and income of the community; whether the lines proposed were the most necessary; whether the financial plan of special assessments was workable; whether the investment of the city in a street railway was not jeopardized; whether a less expensive rapid transit system might not be devised; whether the proposed transit plan should not be approved by a board of transportation experts before such a large expenditure was undertaken; whether the system could operate on the advertised ten-cent fare; whether there was ample evidence that rapid transit would so increase values along the routes that the assessment of 51 per cent of the cost would be justified; whether the plan should not be so organized as to assess benefits falling outside the city of Detroit, etc. These and countless other questions and their answers were engaging the attention of the advocates and proponents of the proposed plan of routes.

#### ATTITUDE OF MAYOR'S FINANCE COMMITTEE

Early in December the mayor had reconvened his Committee on Finances, which, in May, 1925, had reported adversely on the inclusion of an expenditure of approximately \$200,000,000 for rapid transit other than widening of streets for future use, in connection with its program of public improvements for the next ten years. This committee was now augmented in membership, to comprise nine prominent citizens, and was requested to revise and bring up to date its improvement program for the city for the remaining eight years.

The committee submitted its revised report to the mayor on February 25, and again recommended that the undertaking of a rapid transit system be

not entered into at this time. Quoting the committee's report:

Your Committee believes that it has been shown that the taxpayers and citizens of Detroit are not in an economic position at this time which would justify the investment of a minimum of at least \$125,000,000 for 22 miles of subways and their equipment. Even were economic conditions more favorable, ordinary business prudence would dictate that such a vast expenditure should be authorized only after a more scientific and coördinated study has been made and a greater certainty reached as to the best remedy for traffic conditions.

Incidentally, that committee had presented to it, improvement projects for the next eight years totaling \$736,000,000, not including part development and contingencies, and concluded that, to assure the well-being of all classes of taxpayers, only \$391,000,000 could reasonably be financed.

#### PROPOSAL TAKEN OFF THE BALLOT

Under these conditions, and with only a few weeks before April 4, when the plan of routes was to go to the people, the mayor recommended to the rapid transit commission that it voluntarily withdraw the proposal from the ballot. The light vote at the March primary, and the temporary employment situation, were cited by him. The commission agreed to this suggestion, and the common council ordered the question off the April ballot.

A vote cannot be taken until November, 1927, when there is an election of mayor and councilmen, and it is questioned whether these officials will be content to have their political future complicated by the discussion of so important a question. Therefore the whole situation is in status quo. The public realizes that something must be done about the rapid transit situation. At the same time, it wishes to protect its investment in a street railway system, and wishes to secure the most efficient and economical transit relief possible.

# THE CASE METHOD OF INSTRUCTION IN MUNICIPAL GOVERNMENT

BY WILLIAM B. MUNRO

*Harvard University*

*The case method applied to college courses in municipal government  
with some hints as to how to proceed.*    ::    ::    ::    ::    ::

THE usual method of instructing undergraduates in the subject of municipal government is by lectures, text-books, and books of selected readings supplemented in large classes by quiz-sections where the assigned reading is discussed and tested. This plan has certain advantages. It is the simplest and most economical method of presenting the basic facts and the fundamental principles to large classes. It also makes possible the covering of a large amount of material in the minimum of time. But if used exclusively this plan of instruction is subject to grave limitations, especially where advanced students are concerned. For obviously it is not the most effective method of stimulating independent thought or the critical analysis of material, or for inculcating the lesson of thoroughness.

Some cynic has averred that the lecture method is one in which words pass from the lips of the instructor to the notebook of the student without going through the heads of either. In lectures the student's thinking is done largely for him by the lecturer or by the text-book writer who presents the material in predigested form. There are exceptional lecturers, of course, but they are as rare as spendthrifts in Scotland. And although the quiz-sections give some opportunity for individual initiative the discussion usually degenerates into a mere restatement of the facts which the student

has gathered from the assigned reading, a process which is absolutely essential if the student is to have a working knowledge of the subject, but which ought never be tolerated to the exclusion of all other methods.

## TIE-UP WITH ACTUAL GOVERNMENT NEEDED

Under the lecture-text-book system, moreover, it is hard to link the subject with actual government. Clearly it is not the purpose of a college course to teach the art of governing as a practical art, nevertheless sound training for citizenship does require that some attention be given not only to the history, underlying principles and facts of government but also to the application of these principles to concrete problems—such problems as any alert-minded citizen may have to face from day to day. What is needed, therefore, is a method of supplementing the lectures, text-books and other readings—some method which will give the student a more thorough grasp of the subject in its manifold aspects, which will develop his power of analysis, show him the application of principles to concrete situations, and help him to make the subject his own.

Several ways of achieving this result have been tried. One involves the assignment of special reports. Another includes the study and analysis of such source material as city charters, ordinances, annual reports and the



like, together with some judicial decisions bearing on municipal affairs. Both the writing of special reports and the study of source material are of undoubted value; but even so they do not ensure an attainment of the end in view. And in any event only a few written reports can be required during the course of the college year, while relatively few colleges have a sufficient amount and variety of source materials to provide for large classes. This latter difficulty is being solved, to some extent, by the appearance of such source books as Reed and Webbink's *Documents Illustrative of American Municipal Government* and Wright's *Readings in Municipal Problems*.

#### CASE METHOD INTRODUCED

At Harvard we have been trying a somewhat novel and promising method in the course on municipal government, especially in that part of it which deals with municipal administration.<sup>1</sup> The lectures and readings are made incidental to the study of problems or cases collected from various cities and presenting situations which have actually occurred. Several years ago we began to gather actual problems from Boston and Cambridge, and later from cities in other parts of the country such as Cleveland, Detroit, Buffalo, Philadelphia, St. Louis and Toledo. A few of the cases were secured from printed documents such as Dr. Upson's report on *The Government of Cincinnati and Hamilton County*, or the publications of the Detroit Bureau of Governmental Research, but the bulk of them were obtained first-hand from public officials, bureaus of municipal research,

and civic organizations. Altogether about 150 definite problems have been collected.

Each of these cases involves a situation which has actually arisen in some city. Each raises for discussion some fundamental principle of municipal government. Each involves an issue which permits argument on both sides. Problems have been chosen, not for their importance alone; but for their suitability to serve as themes of live classroom discussion. The facts are presented in sufficient detail and objectively; the student is expected to reach his own conclusion from these facts by applying the principles and ideas which have been developed in the lectures, in the text-books, and in the other material that has been assigned to him for reading. He is asked for his opinions, and for a defense of his opinions. In a word, the case method of instruction commonly used in law schools is here applied to undergraduate instruction in municipal government.

#### SOME EXAMPLES

Now it may be asked: Can problems sufficiently simple for the comprehension of the average undergraduate be obtained in this way? With patience and industry it can be done. Let me give one or two illustrations which will indicate the sort of problem that is being used.

(1) Buffalo, the largest city in the United States operating under the commission plan, has become somewhat dissatisfied with the results obtained. Several proposals for improvement have been made. Two of the most important changes suggested are that the commissioners be elected to head specific departments instead of being assigned by vote of the council after election and that the mayor be given a veto over the acts of the com-

<sup>1</sup> This suggestion first came from Dean Wallace B. Donham of the Harvard Graduate School of Business Administration, who declared that he saw no good reason why problems of government might not be presented to a class in the same way as problems of business.

mission. After setting before him the essential facts and giving him the opinions of local authorities on both sides, the student is asked whether the election of commissioners designated to head specific departments would be at all likely to improve the government of Buffalo and whether the commissioner chosen as mayor should be given the veto power? This, of course, raises for discussion the whole theory of the commission plan, its eschewing of checks and balances, its merits and its weak features. It leads the student right into the vitals of the whole question.

(2) As a result of the rapid growth of Detroit there has sprung up in Wayne County, Michigan, a metropolitan area consisting of Detroit, with a population of almost a million, and four other cities with populations varying from 10,000 to 50,000. In addition there are, in the county as a whole, 17 villages, 20 townships, and 116 school districts. The result has been an overlapping and duplication of functions. In such fields as city planning, water supply, sewage disposal, and so forth, this has become a serious matter. It is easy to say that there should be some sort of consolidation, but what form should a consolidation take? The Detroit Bureau of Governmental Research recommends the creation of a large metropolitan district to care for common needs. After presenting fully all the essential data and explaining methods in other metropolitan areas, the student is asked: Should the city of Detroit petition the legislature for the creation of a metropolitan district as recommended by the Bureau, or should some other plan be followed—for example, as in New York, Los Angeles, London or Berlin? If the district plan is favored, should one large district have charge of all needs common to the region as a whole,

or should there be a separate district for each major function (as in Boston) that is, one for water supply, one for parks, etc.? Here is a problem which raises the whole issue of *federalism versus annexation* in metropolitan areas.

(3) Other cases involve such problems as the following: Was the recent decision of the mayor and council of Cambridge to purchase \$125,000 worth of departmental equipment from the proceeds of a bond issue a defensible one? Should Philadelphia adopt permanent registration of voters in place of annual registration? Under what conditions should busses be allowed to compete with electric railways in St. Louis? Should school finances in Providence be under control of the city council, or should the school committee be given full control of its own budget? Should the municipally-owned markets of Cleveland be made self-supporting or subsidized by the city?

#### METHOD OF PROCEDURE

At the outset a number of these problems were mimeographed or printed in leaflet form and distributed to the members of the class. A little later about 100 of the cases were printed in book form under the editorship of Professor A. C. Hanford.<sup>1</sup> The plan now in use is to assign each week three or four problems to be studied and discussed in connection with collateral reading in such texts as Anderson's *American City Government*, Reed's *Municipal Government in the United States*, or Munro's *Municipal Government and Administration*. Students are asked to study the cases after having done this reading. Some of the more general problems are discussed in the regular lecture hours, either in lieu of the regular lecture or to illustrate points which the lecturer

<sup>1</sup> *Problems in Municipal Government* (Chicago. The A. W. Shaw Co., 1926. Pp. 457.)



desires to emphasize. Other problems of a more specific character are discussed in the smaller quiz-sections into which the class is divided. During each half year, two or three of the longer and rather technical problems, which do not lend themselves easily to classroom discussion, are assigned for more detailed analysis and for written reports.<sup>1</sup>

Although various experiments with the problem method have been made in the municipal government courses for nearly a decade, the more definite and extensive use described above has been in vogue for two years only. The results have been fairly satisfactory. The cases have proved most serviceable in helping students to grasp the application of principles to concrete

<sup>1</sup> As an alternative to this we have sometimes assigned the longer cases to small groups of students for special study with the understanding that they would be responsible for the details and should take the lead in the classroom discussion. The other members of the class are merely asked to read the problem through in a general way.

situations. Their greatest value has been in affording a good starting point for classroom discussion, by raising a definite issue upon which differences of student-opinion are sure to be made manifest. It is my conviction that the case system of instruction gives an impetus to discussion in a way no other method can. To the extent that it does this it is a highly valuable method.

In editing this book of *Problems* it seems to me that Dr. Hanford has performed a real service to the advancement of teaching. He has done pioneering work that may, and probably will, lead a long way. To gather these 100 cases was no small job. It involved actual visits to many cities, conferences with all manner of officials, and much winnowing of chaff from wheat. The publishers ought also to have some commendation for their share in promoting the enterprise. They have had both vision to see its implications and courage to carry it through.

# MEASURING EMPLOYMENT IN A MUNICIPALITY

BY MARY VAN KLEECK

*Director, Department of Industrial Studies, Russell Sage Foundation*

*Unemployment largely relates to cities. How they can help in the national struggle to reduce it.*     ::     ::     ::     ::     ::     ::

A PLAN for measuring trends of employment in industry throughout the United States, which has been worked out by a committee of the American Statistical Association and published in a book recently issued by the Russell Sage Foundation, entitled "Employment Statistics for the United States," suggests the need for developing munis-

ipal measurements of employment and unemployment. A municipal index of employment is a necessary starting point for intelligent planning directed toward the stabilization of business in a community. The purpose of this article is to outline the proposed plan, which is now in operation in a number of states and in

important industries, to describe its possible value in the stabilization of business, to indicate the present extent of data on employment available for cities and to suggest ways in which a municipality may develop its own indices while fitting into the larger scheme. Only by comparing its own trends with the condition of business in the state and in the country as a whole, can a city fully understand its own problem. Hence the importance of the large scheme.

CITIES MOST DIRECTLY AFFECTED  
BY UNEMPLOYMENT

The city has always had a relation to unemployment. An abnormal increase in the unemployed has in the past suggested the need of enlarged machinery for relief. As social workers have looked deeply, however, they have realized that relief of the unemployed is at best a temporary expedient and frequently aggravates the condition by attracting the idle to the city. In 1893, in 1907-1908, in 1914 and in 1921, cities were called upon to bear the burden of providing lodging, food and clothing, either through official agencies or by united efforts of the voluntary social organizations. Through these crises gradually a clearer idea has emerged as to the causes of industrial depressions and the possibility of lessening the wide fluctuations. How far the city can go in supplementing the efforts of business leaders is an exceedingly interesting question, which can be answered only by experiment and by analysis of facts. The fact that cities within the same state vary greatly in the extent of unemployment seems to indicate that the city itself may be viewed as a unit and may study and perhaps control the degree of prosperity which characterizes the particular combination of industries within the community.

The new approach to the problems of unemployment, which viewed the enforced idleness of wage earners as an effect of instability in business and suggested a program of stabilization and elimination of waste as the way out, received its present impetus from the work of the Committee on the Business Cycle, under the chairmanship of Owen D. Young, which was appointed by Mr. Hoover to carry forward the work of the President's Conference on Unemployment in 1921. That conference had two phases. The first was to deal with the emergency problem of relief presented by the abnormal extent of unemployment. To deal with the problem of relief, the conference called upon the municipalities and urged each mayor to appoint a committee on unemployment to coördinate the efforts of the relief agencies, to develop municipal lodging houses and also to count the unemployed. To thoughtful leaders in local communities, the very necessity for this call to cities to undertake the burden of relief must have suggested the hopelessness of action in such an emergency. Yet for the most part, the cities were unprepared to take any action except an improvised program for an emergency.

CURRENT INFORMATION NOW  
INADEQUATE

The second phase of the President's Conference on Unemployment was an effort to analyze the causes of widespread depression and to suggest the ways and means of avoiding its recurrence. In a foreword to the report of the committee, published under the title, "Business Cycles and Unemployment," by the Department of Commerce in 1923, Mr. Hoover wrote:

The general conclusion of the committee is that as the slumps (in business) are in the main due to the waste, extravagance, speculation, in-



flation, overexpansion and inefficiency in production developed during the booms, the strategic point of attack therefore is the reduction of these evils, mainly through the provision for such current economic information as will show the signs of danger and its more general understanding and use by producers, distributors and banks, inducing more constructive and safer policies.

The "current economic information" required included, according to the Committee on Business Cycles, periodic statistics of employment. At that time the Federal bureau of labor statistics was publishing monthly the data for approximately half a million wage earners in some thirteen manufacturing industries, based on the answers given by employers to the following two main questions: (1) total number on the pay roll in the pay roll period including the 15th of the month; (2) total wages paid in that pay roll period. This series had dated from 1915, growing out of the need for information in the unemployment crisis at that time. New York state had been collecting the same information from manufacturing industries since 1915, extending its series back to 1914, and Wisconsin since 1922, but no other state had current information. In both these states coöperation had been arranged between the federal and state bureaus, whereby the state bureau collected the data and turned over to the federal bureau as much information for each industry as was needed for the national index, thus avoiding annoyance to employers through duplication of reports and at the same time providing the state with the information needed for a picture of its own conditions.

Obviously, this information was so limited as to be valuable chiefly as a suggestion for possible methods of collection of the information rather than as an adequate basis for business poli-

cies. To standardize the information needed and the methods of its collection, to increase the number of states coöperating and to extend the information to other branches of business besides manufacturing, was recommended by the Committee on Unemployment and Business Cycles.

To assist in carrying out this recommendation the American Statistical Association appointed a Committee on Governmental Labor Statistics, composed of statisticians in state and federal bureaus charged with the duty of collecting this information and experienced in all the difficulties and practical problems; together with users of statistics in business establishments and in universities, who knew from experience what kind of information was needed for the development of sounder policies in business and for research which should increase understanding of the causes of fluctuations. It is this committee which has just made its report after three years of work based always on practical experience both in governmental bureaus and in business. During the period of its work, five states besides New York and Wisconsin have entered into the plan of coöperation with the Federal bureau of labor statistics, namely, Illinois, Maryland, Massachusetts, California and New Jersey. In addition, Iowa, Pennsylvania and Oklahoma collect employment statistics, but are not yet included in the national plan. The Federal bureau of labor statistics has so far increased the extent of its reports for manufacturing that its last published report, for December, 1926, gave returns from more than 10,000 establishments in 54 separate manufacturing industries employing nearly 3,000,000 wage earners. The Federal bureau also publishes a summary of the data for employment and earnings on the railroads, collected by the Interstate

Commerce Commission. The department of agriculture is experimenting with the measurement of employment on farms, with a view to including agriculture in the national index.

One of the most important of the recent developments has been the publication of reports for cities and smaller industrial communities. The city reports are now issued by the bureaus of labor statistics in Illinois, Massachusetts, New Jersey, New York and Pennsylvania.

For instance, in Illinois a report released for publication on March 18 covered the pay roll period including the 15th of February and gave the following summary of facts for cities:

Increasing employment was not a general thing throughout the state, however, and six of the fourteen cities for which special reports are compiled showed declines. These were Aurora, Cicero, Moline, Peoria, Quincy and Springfield. At East St. Louis and Rock Island no change in factory employment was reported, while Chicago, Bloomington, Danville, Decatur, Joliet and Rockford reported advances.

Obviously, the facts for the state as a whole may not picture the situation in one of the cities, and the cities will differ one from another according to their industrial composition. On the other hand, no city can fully understand its own problem unless it knows for the country as a whole and for its own state the trends in the industries which are represented in it.

The plan for the country as a whole contemplates the extension of the minimum amount of information indicated in the two main questions, total number on the pay roll and total wages paid in the pay roll period including the 15th of the month, first, to the more important of the 40 states not now included in the national plan; and, second, to the following branches of business: (1) manufacturing in

its main industrial divisions; (2) mining and quarrying; (3) communication; (4) building construction; (5) wholesale trade; (6) retail trade; (7) logging and lumber work; (8) agriculture. At present every one of these industries is included in the data collected by some one state, but only for manufacturing and for the railroads as a part of the group entitled "communication" does the national information approach adequacy.

#### CITIES MUST HELP IN COLLECTING CURRENT DATA

The third great need is for municipalities to take their place in the scheme and either to give such support to the state bureau as will enable it to collect the necessary information for the municipality or to undertake in the community itself to collect the data, turning over to the state the material needed, by a similar plan of coöperation as that now in force between the state and the federal bureaus. If the municipality undertakes the task of initial collection, it will be able to secure for its own community a much more rounded picture than if the state, concerned primarily with conditions in the state as a whole, undertakes to publish merely such portion of its information as relates to a given city.

In this report on Employment Statistics for the United States some attention is given to the needs of cities. This is based largely upon an earlier report published by the Russell Sage Foundation, entitled "The Burden of Unemployment," a study of unemployment relief measures in fifteen American cities, 1921-1922, by Philip Klein. In this study considerable attention was given to possible sources of information regarding unemployment and its relation to the city's program for dealing with it. It is interesting to note, however, that the main conclu-



sion regarding statistics reached by Mr. Klein goes beyond the problem of relief and asks for essentially the same information which the Committee on Unemployment and Business Cycles recommended for preventing fluctuations. Mr. Klein stated, after careful analysis of available statistics in the cities included in his study, that "any direct count of the number of unemployed persons has proved entirely impracticable. . . . The important thing to know . . . is not the exact number unemployed at any time, but rather the chances of employment. . . . Any machinery for obtaining relevant and valuable data should, therefore, be directed toward the scrutiny of fluctuations in the extent of employment and the derivation of available indices of distress among the working population."

Among the available indices which he includes, besides the statistics of employment collected by the state and federal governments, are the "case load" of social agencies; trends in the cost of boarding children, compared with the trends in the proportion paid by parents; expenditures for relief; average daily attendance in high school and in elementary school; work certificates issued; and general business statistics, including "Situations Wanted," "Help Wanted" and "For Rent" advertisements; demands for loans and applications and placements in public employment offices. It should be said in passing that the whole question of a possible index of dependency in the community is being dealt with by another committee of the American Statistical Association, under the chairmanship of Ralph G. Hurlin, who, with William E. Berridge, edited the report on employment statistics as members of the Committee on Governmental Labor Statistics.

#### HOW CITIES CAN GUARD AGAINST UNEMPLOYMENT

Given an adequate index of the trend of employment in the different industries of a state, and a corresponding measure of trends within a community, it is clear that suggestions for action in the municipality would speedily emerge. The first suggestion would have to do with the industrial composition of the community and the possibility of attracting to the town or city industries in which the seasonal fluctuations complement one another, rather than coincide, as a step in economic town planning which would undoubtedly affect directly the security in the standard of living of the people in the town. The one-industry town is obviously affected at once by fluctuations in that industry.

The second suggestion would have to do not only with industrial composition but with possible experiments in reduction of fluctuations by the leaders of business in the community. The possibility of experiment has been demonstrated by a larger and larger number of individual plants. We think of an industry as national in its operation, when, as a matter of fact, its leaders live in cities and have their offices in cities. It is undoubtedly in cities, therefore, that business leaders may confer together and thus enlarge their individual judgment not only about their own business but about the relation of different types of business to each other, production, distribution and the financial machinery. The city which has comprehensive current information about its own industries is a microcosm for fruitful experiment and enlightenment which would tend not only to greater prosperity for the community but to elimination of waste and stabilization which would have their influence as far as the same economic activities extend.

A third possibility of action in the stabilization of business in the community is through the policies established by the municipal government regarded as a business. The planning of public works is a familiar suggestion deserving, however, of much more searching study and experiment than have yet been given to it in municipalities.

Finally, it may be said that the measurement of trends in employment, in that it shows whether unemployment is increasing or decreasing and whether there are changes in the income of wage earners, provides also a guide for the community as a whole, both in its governmental activities

and through its voluntary agencies to develop a wise social program.

Thus with the changing thought regarding the problem of unemployment, the possible function of the city is shifted from the burden of relief to the more inspiring task of constructive planning for stabilization. The first step in the stabilization of business in a community is to develop adequate measurements of trends in business activity, including statistics of employment which are in themselves excellent common measures of business activity while offering also a measure of the vital social fact of the wage earners' opportunity for employment.

## ARE WE SPENDING TOO MUCH FOR GOVERNMENT?

### II. STATE EXPENDITURES—HAS THEIR UPWARD CLIMB BEEN JUSTIFIED?

BY CLARENCE HEER

*National Institute of Public Administration*

*The eternal struggle between Mr. Citizen as taxpayer and Mr. Citizen as consumer of government services is well illustrated in this article. One-half of the money increase in the cost of state government from 1915 to 1925 was due to the rising price level. But over 70 per cent of the actual increase must be charged to expansion in public education and highways; that is, to expenditures demanded by the same people who pay the taxes.*    ::    ::    ::    ::    ::    ::    ::    ::

THE total spendings of the country's various agencies of government, federal, state and local, are, at the present writing, upwards of 10 billion dollars per annum. Of this huge sum, state governments spend approximately 15 per cent. The arresting feature as regards contemporary state expenditure, however, is not its absolute amount but the unparalleled rapidity with which it has expanded within the last decade.

Between 1915 and 1925, the aggregate governmental cost payments of the forty-eight states of the union increased at an average rate of 12½ per cent per annum. The comparable rate of growth in the expenditures of the country's 146 largest cities was less than 10 per cent per annum. State government was 3¼ times as costly in 1925 as it was in 1915. Most of this increase occurred after and not before the close of the World War,



during an era of generally falling prices, when economy and efficiency were the watchwords in private business and when the "back-to-normalcy" movement was in full swing. Between 1919 and 1922 state expenditures exactly doubled. During this same three year period, wholesale commodity prices registered a decline of 21 per cent, the cost of living dropped 11 per cent and the ordinary expenditures of the national government were reduced by more than 80 per cent.

On the basis of purely circumstantial evidence, it would not be difficult to draw up plausible charges of waste and extravagance against the various state administrations. Such charges are in fact frequently made and find support in authoritative places. Circumstantial evidence is easy to obtain but it is notoriously unreliable and deceptive. Direct evidence regarding the reasons for the abnormal growth of state expenditures during recent years is obtainable in the form of official records and reports. Such evidence, however, must be hunted down, analyzed and interpreted. These processes involve a certain amount of irksome effort which may possibly account for the general disfavor in which they are held by our numerous popular interpreters of governmental problems. The present article is not intended as an exhaustive review of all the extant documentary material bearing on the causes of the current high cost of state government. It is proposed, however, to make some use of the more readily available statistical sources and to suggest the possibility of certain other explanations for the recent increase of state expenditure besides the much reiterated one of waste and extravagance.

#### RÔLE OF PRICE INFLATION

According to the reports of the bureau of the census, the aggregate

governmental cost payments of the several states increased from 495 million dollars in 1915 to 1,615 million dollars in 1925, an increase of 226 per cent. This increase can have little meaning until due allowance has been made for changes in the purchasing power of the dollar. The years which witnessed the late rise in governmental costs were characterized by a violent fluctuation of prices. Public expenditures were not exempt from the effects of this disturbance. It is not proper to assume, however, that the prices paid by governments for the commodities and services required in the performance of their functions followed the same course as any of the general purpose index numbers commonly used to measure changes in purchasing power. As is well known, monetary inflation affected individual prices in a very unequal manner. Moreover, governmental disbursements are for highly specialized purposes, salaries and wages representing their most important single element.

Various special purpose index numbers have been constructed to measure the effects of monetary inflation on particular groups of prices. Thus we have index numbers of wholesale commodity prices, index numbers of the cost of living, and index numbers of wage rates for various classes of workers. As yet there are no current indices covering the cost of commodities and personal services required in carrying out the functions of government. The writer recently attempted to construct such a series of index numbers on the basis of price and salary data applicable to the expenditures of the state of New York during the years from 1915 to 1923 inclusive. The final indices reflected not only the direct effects of inflation on expenditures for commodities and personal services but also the indirect effects of inflation on such

## INCREASE IN GOVERNMENTAL COST PAYMENTS 1925 OVER 1915

*Analysis by Character*

(000 omitted)

Character	Cost Payments		Increase 1925 over 1915		Per Cent of Total Increase
	1915	1925	Amount	Per Cent	
Operation and maintenance.	\$381,168	\$1,043,876	\$662,708	174	59.2
Capital outlays.....	95,193	503,024	407,831	428	36.4
Interest and amortization...	18,546	67,662	49,116	265	4.4
Total.....	\$494,907	\$1,614,562	\$1,119,655	226	100.0

items of expenditure as interest and amortization charges and state subventions to local political units. The results indicated that the state's "cost of living" had increased by some 54 per cent between 1915 and 1923. In other words, considering all of the various claims made upon it, the state's dollar in 1923 secured no more than could have been obtained for 65 cents in 1915.<sup>1</sup>

There was very little change in price and wage levels between 1923 and 1925. If New York state's experience was in any sense typical, therefore, and there is no reason for believing that it was not, it follows that much of the increase in the total governmental cost payments of states between 1915 and 1925 was nominal and not real. It is conservative to assume that the dollar expended by the state governments in 1925 had a purchasing power of only 65 cents in terms of 1915 values. On this basis fully half of the 1,120 million dollar increase in state expenditure which occurred during the last decade was due to price inflation. Reduced to dollars of 1915 purchasing power, the aggregate governmental cost payments of the forty-eight states for 1925 amounted to only 1,049 million dollars as contrasted with 1,615 million dollars

in terms of current values. The real increase in state expenditure between 1915 and 1925 was, therefore, only 112 per cent as compared with the nominal increase of 226 per cent.

## ANALYSIS OF INCREASE

An increase of 112 per cent within the space of ten years cannot be regarded with equanimity. What were the causes for this expansion? Considerable light on this question is furnished by the *Financial Statistics of States* published annually by the bureau of the census. The following table, based on census data, analyzes the increase in state costs between 1915 and 1925 according to character of expenditure. The figures used represent current values and have not been adjusted for inflation.

It will be seen from the above table that nearly 60 per cent of the aggregate growth in the cost of state government during the period under review relates to current expense for operation and maintenance. Increased outlays for capital extensions and improvements account for over 36 per cent of the total. Despite the widely prevalent notion that the piling up of state indebtedness has been an important factor in bringing about the present level of costs, it will be noted that the growth of interest and amortization charges ac-

<sup>1</sup> *The Post-War Expansion of State Expenditures*, National Institute of Public Administration, 1926, p. 48.



INCREASE IN EXPENSES FOR OPERATION AND MAINTENANCE OF GENERAL DEPARTMENTS  
(EXCLUDING PUBLIC SERVICE ENTERPRISES) 1925 OVER 1915  
(000 omitted)

Function	Cost Payments		Increase Over 1915		Per Cent of Total Increase
	1915	1925	Amount	Per Cent	
General government.....	\$44,508	\$85,569	\$41,061	92	6.3
Protection to person and property.....	26,295	55,834	29,539	112	4.5
Development and conservation.....	16,559	56,386	39,827	241	6.1
Health and sanitation.....	9,454	24,839	15,385	163	2.3
Highways.....	22,768	144,280	121,512	534	18.5
Charities, hospitals and correction.....	89,189	168,754	79,565	89	12.1
Education.....	147,164	397,700	250,536	170	38.2
Recreation.....	879	2,746	1,867	212	.3
Miscellaneous.....	22,214	99,370	77,156	347	11.7
Total.....	\$379,030	\$1,035,478	\$656,448	173	100.0

counts for less than 5 per cent of the total increase in cost payments during the years under consideration.

A real understanding of the factors responsible for the current scale of state costs can only be obtained by subjecting each of the expenditure categories enumerated above to a detailed analysis. The above table gives a functional analysis of the most important group of costs, namely, expenses for operation and maintenance.

Limitations of space will not permit of an extended discussion of all of the individual increases set forth in the above tabulation. Only the more striking of these increases will here be considered. It is a significant fact that the largest single item of increase is attributable to public instruction. It alone was responsible for more than 38 per cent of the total growth of current state expenses during the period under review. Next in importance is the function of highway maintenance which contributed about 19 per cent of the total growth. The current upkeep of state prisons, hos-

pitals and charitable and correctional institutions ranks third in importance, accounting for 12 per cent of the aggregate increase. So-called miscellaneous expenditures, the nature of which will be indicated later on, account for somewhat less than 12 per cent of the total. Since the four items mentioned comprise over 80 per cent of the total increase in current state costs between 1915 and 1925, separate consideration of each of them is warranted.

#### EDUCATION

Of the 398 million dollars expended by state governments for educational purposes in 1925, about 256 millions represented educational subsidies or grants in aid to local political units. In 1915 the amount of state aid for local public instruction amounted to only 98 million dollars. The increased support of local education was due in part to the same circumstances which caused the direct educational expenses of the states to advance but the growth of state aid was proportionately greater than the growth in educational expenditures for the country as a whole,

and reveals a tendency on the part of state governments to assume a larger share of the local educational burden.

Primarily, however, the need for increased state aid would not have developed when it did had it not been for the tremendous advance in educational costs which came after the World War. According to the reports of the United States commissioner of education, the total amount expended on schools for the country as a whole registered a rise of approximately 250 per cent between the school years 1913 and 1924. The reasons for this phenomenal advance may be summarized under three heads, (1) price inflation, (2) increase in school enrollment and (3) improvements in educational standards.

Index numbers of the cost of public instruction compiled on the basis of data applicable to New York state indicate that the same sort of education for which the tax payers of the state paid \$100 in 1923 could have been obtained for \$57 on the basis of the 1915 price and salary level. Assuming that this situation was true for the United States as a whole, and that the same differential holds for the years 1913 and 1924, it is apparent that the real growth in educational costs between these two years, after elimination of the effects of price inflation, was in the neighborhood of 100 per cent. Most of this advance may be readily accounted for on the basis of increased school enrollment and improvements in educational standards.

Between 1913 and 1924 there was a 40 per cent growth in average daily school attendance. The number of pupils attending public high schools increased by approximately 125 per cent. Since the annual cost of educating a secondary school pupil is about two and a half times as great as the cost of educating an elementary school pupil,

this influx of high school pupils exercised a disproportionate effect on current school costs. Improvements in educational standards are indicated by such criteria as the lengthening of the average school term from 158 to 168 days and the raising of the average salary per teacher from \$512 to \$1,227 per annum. Such features as school doctors, nurses, dental clinics, open air schools, lunch rooms, supervised playgrounds, gymnasiums, special classes for mentally backward or deficient children, visiting nurses and programs of physical and health education, furnish further evidence of the extent to which the quality of the educational offering has changed within the last decade.

#### HIGHWAY MAINTENANCE

The bulk of current state highway expenditures are for the care and maintenance of state systems of public roads. It will be noted from the preceding table that these expenditures were over six times as great in 1925 as in 1917. Price inflation is by no means sufficient to account for this remarkable growth. Index numbers of the cost of labor and materials employed on road maintenance in New York state show an advance of only 52 per cent as between 1915 and 1922. The main reason for the expansion of highway costs was the pressure for good roads which came with the advent of the automobile. The rapid popularization of motor transportation resulted in a tremendous growth of highway traffic which necessitated the construction of more durable and more expensive types of roads and the spending of ever greater sums for maintenance and reconstruction.

While there is no single criterion which will serve to measure the amount of repair and reconstruction work necessary on a given highway system,



it is clear that such requirements are largely dependent upon the number of miles of highway to be maintained, the number, weight and speed of the vehicles using the highways and the proportion of the total mileage which has reached or is approaching the end of its economic life. In 1925 the total mileage of surfaced roads in state highway systems was approximately 188 per cent greater than in 1915. The volume of highway traffic as indicated by motor vehicle registrations was more than eight times as great. In this connection it must be remembered that there was a relative increase in the number of motor trucks and busses, vehicles which, because of their weight, cause more damage to the roads than any other class of traffic.

One of the most important factors in bringing about an advance in highway maintenance costs was the increase in the average age of highway systems. Even when properly maintained, the volume of repair work on a given road grows larger as its age increases. Finally a point is reached where it becomes more profitable to build a new pavement than to attempt to maintain the old one. The building of our present network of improved highways was scarcely under way in 1905. As a result a much larger proportion of the total highway mileage was approaching the end of its economic life in 1925 than was the case in 1915. This circumstance resulted in a large and unavoidable increase in expenditures for repairs and reconstruction.

#### HOSPITALS, CHARITIES AND CORRECTION

Expenditures for hospitals, charities and correction comprise for the most part the cost of maintaining the inmate populations of state prisons, hospitals for the insane and various state institutions for paupers, delinquents and

defectives. It will be noted that these expenditures showed an increase of 89 per cent during the period under review and were responsible for 12 per cent of the total growth of current state expenses. There is no mystery about this increase. The United States bureau of labor statistics' index numbers of the cost of living registered an advance of 67 per cent between 1915 and 1925. The residual increase was due to growth in the number of inmates to be maintained. Complete data regarding the number of state dependents are not available for the years 1915 and 1925. Between 1910 and 1923, however, the aggregate number of insane in hospitals, feeble-minded in institutions, prisoners in state prisons and paupers in almshouses expanded by more than 20 per cent.

The three functions so far mentioned account for over two-thirds of the total increase in current state expenses. The causes for the remaining third of the increase are too numerous to permit of more than passing mention. The 77 million dollar growth in miscellaneous expenses is an aftermath of the World War and represents mainly relief and bonus payments to veterans. In 1925 nearly 56 million dollars were paid out by the various states in the form of soldier's bonuses. In judging of the legitimacy of other items of increase, the following facts must be borne in mind. In 1925 the country had a population 16 per cent greater than it had in 1915. The purchasing power of the government's dollar had shrunk to 65 per cent of its pre-war value. Price inflation created a need for new revenues and the collection of these revenues entailed additional expense. Finally, the scope of many state functions especially those connected with health and conservation was extended. One of the most costly of the new activities was a movement,

jointly sponsored by the states and the federal government, to stamp out bovine tuberculosis. In 1925 about 7 million dollars was disbursed by the various states in indemnifying farmers for losses sustained through the slaughter of diseased cattle.

#### CAPITAL OUTLAYS

The survey of the causes lying back of the increase in the current expenses of state governments has necessarily been hasty and superficial. Nevertheless it must indicate even to those who have a strong anti-government bias that the increase was in the main legitimate and unavoidable. Can a like judgment be rendered as regards state expenditures for capital extensions and improvements? It has been seen that these expenditures grew by some 428 per cent during the period under review and that they account for 36 per cent of the total rise in governmental cost payments.

The capital outlays of the various states were roughly speaking 408 million dollars greater in 1925 than they were in 1915. It is extremely significant that approximately 90 per cent of this additional outlay is attributable to the construction of new highways. The extensive highway construction projects undertaken by state governments during recent years can scarcely be condemned unless one is willing in the same breath to condemn the developments of which they are the logical result. The state governments were not responsible for the astounding growth in the field of motor transportation. The country's aggregate investment in motor vehicles is today in the neighborhood of 10 billion

dollars. To make this vast investment effective, good roads are absolutely essential. The capital outlays made by states for highway purposes cannot therefore, be regarded as any less productive than the same amounts invested in oil refineries, garages and tire factories. The automobile, however, was not the only factor which operated to increase the volume of capital outlays. Price inflation played an important rôle. A minor factor was the enforced reduction of public construction activities during the war and the subsequent necessity of making up for the resulting deficiencies.

#### INTEREST CHARGES

Although interest and amortization charges were responsible for less than 5 per cent of the aggregate increase in state disbursements, nevertheless these charges show a growth of 226 per cent for the period under review. During this period the gross indebtedness of the states increased from 512 to 1,559 million dollars. Practically four-fifths of the present state indebtedness represents investments in roads, buildings and other permanent improvements. The factors which explain the growth of capital outlays are, therefore, equally applicable as an explanation of the existing volume of this portion of the states' capital obligations. The remaining indebtedness must be charged to the cost of the World War. It represents obligations floated to finance the payment of soldier's bonuses. During 1925 the various states paid interest on 287 million dollars of indebtedness contracted for the above purpose, all of which appears as an increase in the comparison with 1915.



## BOOKS AND PUBLICATIONS

THE MISSOURI CRIME SURVEY. By The Missouri Association for Criminal Justice. New York: The Macmillan Company, 1926. Pp. xxvi, 587.

No more dramatic token of twenty years of national growth can be imagined than this substantial, painstaking study of criminal law administration when compared with the muck-raking magazine articles that marked the coming of age of American civic self-consciousness. The contrast will be often in the minds of all readers more than forty years old.

As one of the first fruits of the agitation begun four or five years ago the Survey also has significance. This agitation has been of a sensation-loving kind, random and careless of fact, but it appears finally to have justified itself. The volume is dedicated to Mr. Guy A. Thompson, who, as president of the Missouri State Bar Association, proposed the work and helped to form the Association for Criminal Justice, which was incorporated. The broadest possible basis of membership was sought. Voluntary contributions to the amount of \$40,000 were obtained, and after the work had been completed it was necessary to collect an additional \$25,000.

The greater part of the expense lay in statistical investigations of the records for one year in the counties comprising the three largest cities—St. Louis, Kansas City and St. Joseph—and two years in at least one county of every judicial circuit, to the number of thirty-nine counties. The study was limited throughout to felony cases. Twenty-eight investigators, mostly lawyers, were employed. About 10,000 cases were recorded.

The book consists in the main of eleven departments, each with a compiler, or editor, as follows: "The Metropolitan Police Systems," by Bruce Smith; "The Sheriff and the Coroner," by Raymond Moley; "Preparation and Presentation of the State's Case," by Arthur V. Lashly; "Judicial Administration," by Arthur V. Lashly and J. Hugo Grimm; "Bail Bonds," by Raymond Moley; "Ten Years of Supreme Court Decisions," by J. Hugo Grimm; "A Statistical Interpretation of the Criminal Process," by C. E. Gehlke; "Necessary Changes in Criminal Procedure," by Herbert S. Hadley and Jesse W.

Barrett; "Record Systems," by James E. Boggs and William C. Jamison; "Mental Disorder, Crime and the Law," by Dr. M. A. Bliss; "Pardons, Paroles and Commutation," by A. F. Kuhlman. Each editor was assisted by a committee to whom he submitted his manuscript for discussion, criticism and revision, and presumably all of them had access to the statistical tables. This community of authorship is necessary to insure broad vision, but has a deadening effect on the literary style. Under every department heading there is a body of recommendations which constitute the real heart of the work.

It is rare, indeed, that money devoted to any public cause is made to produce so much valuable information as in this instance. A principal reason why people differ so radically in their views on administrative and legislative proposals is that their understanding is limited, first, to the very small part which has come to their personal attention, and, secondly, to their temperamental trends. This Survey now yields all the facts that the mind is capable of embracing, and the befogging factor of personality is pretty well exorcized.

The public money chargeable to criminal law enforcement in the year 1924 in Missouri amounted to \$9,183,637.16. The Survey shows, and says, that the public is not getting its money's worth (pp. 14-15). Stronger support is afforded by the Survey's figures to the sensational statements of the failure of criminal justice in this country than this writer expected. Take St. Louis: in the year ending October 1, 1924, thirteen thousand serious major crimes were reported to the police, and Chancellor Hadley declares that these were but 40 per cent of the crimes reported, the other 60 per cent being reported to the prosecutor's office, which keeps no records. But only 964 prosecutions were begun. Of those prosecuted 55 were acquitted by juries, 489 were released by action of a court or the prosecutor; and of those sentenced only 374 were punished. Kansas City appears to be as bad, or even worse (p. 349).

It appears that so far as numbers go the failure of justice is far less a matter of trial in the courts than of failure to apprehend criminals, abuse of

the parole powers and slackness in the prosecutors' offices. Back of every specific inefficiency lies the utter lack of unity of the numerous parts of the state's great assembly of machinery.

The Missouri Association for Criminal Justice is intended to continue its work indefinitely, and on its persistence for a number of years depends its ultimate success. The work thus far done is the most valuable that has been done in this field, but it calls for continued energy for at least a decade. Additional fields of investigation, and continuing observation of certain parts, can be attended to in due time.

There seems to be but one serious omission in this book. Three years ago the Missouri Constitutional Convention revised the judiciary article to provide a unification of all the courts of the state, with responsible administrative direction, which would imply statistical recording. It was the most thoroughly worked out revision of a judiciary article on modern lines that had been made. The present report would have done well to have kept this ideal of judicial unification alive as something eventually necessary.

HERBERT HARLEY.



PRACTICE OF MUNICIPAL ADMINISTRATION. By Lent D. Upson. New York: The Century Company, 1926. Pp. 588. \$4.

For a long, long time we have been waiting for a comprehensive work on the administrative problems of city government. Mr. Upson has given us the book. It is, he says, "intended not for the professional administrator . . . but for the lay citizen, in or out of public office, who wishes some acquaintanceship with the problems that perplex the professional." The professional administrator, too, will find he cannot do without it, for while it may not inform him with respect to his special branch of administrative work, it will show him what that work means to the city as a whole.

As for the lay citizen, I only wish it were possible to put this book into the hands of those laymen, officeholders, leaders in civic organizations, newspaper editors, and the like, who by reason of their position exercise effective negative control over the processes of municipal administration. Never before has there been, so far as I know, a volume to which such men and women might be sent, to get the light on the problems which they too often try to solve by applying

eighteenth-century political methods to twentieth-century technical processes.

It is impossible in a brief review even to summarize the scope of Mr. Upson's book. Suffice it to say that every department and division of the administrative practice of the American city is included. The methods rightly chosen for favorable discussion are not those that have been most widely accepted, but those that have been adopted by the most progressive cities, or those that seem best adapted to present-day conditions.

The book is remarkably successful in its escape from the confusion of the things belonging essentially to the political, or organization, content of the municipal government and those belonging to the functional, or administrative side. Yet it implies, usually, the separate direction of each city department by a man of at least some special training reporting to a political mayor. This implicit acceptance of what is still the usual type of municipal organization is justified, of course, but it tends to invalidate certain of the recommendations for methods of practice where the organization is also headed by a professional, as in a city with the council-manager form of government.

Then, too, not even Mr. Upson with his wide sweep of knowledge, his methodical and exhaustive research, his catholic interest and his amazing industry, has been able quite to rid himself of the point of view imposed by the size of a city. Municipal problems in all cities are practically identical qualitatively, but their quantitative divergence makes it impossible always to use the same methods of administrative practice in large and small cities.

Mr. Upson, I think, has the large city well in the foreground of his mind. Else he would not with quite so much facility say in one paragraph that a civilian leader is necessary for successful police administration, and in another with equal facility condemn the usual practice of the better managed smaller cities in grouping the police and fire departments with building inspection, etc., under a department of public safety. Such groupings are the only possible way to obtain expert professional supervision in the smaller cities.

Most of us have our favorites amongst the departments, and I read the book with an eye to catching the author at play with his pet. He has not done that, but it is evident that one department puzzles him by its behavior. He is rather hopeless concerning the police, although



his suggestions in the main are not only sound but sympathetic.

To one who has spent years trying to smooth over the jealous and the zealous quarrels of the different city departments it is a little amusing to see Mr. Upson refer without disapproval to the health department that thinks it can best solve the venereal disease problem by excluding police participation, when the record shows that the few cities that have made considerable progress in this difficult matter have done so because the health department and the police departments have coöperated to the fullest extent.

What we have in this book is the first comprehensive picture of the municipal administrative machine. It covers the ground, it is not dogmatic in tone (thus leaving room for the exceptional circumstance arising out of local conditions); and it is well arranged and adequately indexed.

If every newspaper editor could have this book on his table and would refrain from writing an editorial about any administrative process of the local government until he had read the appropriate chapter of Upson; if every councilman would read Upson before he voted on the city budget; if every mayor and every elected city official could be persuaded to have Upson always on his desk and to get the habit of reading and re-reading him; then we would have a far, far better state of things in our city governments than we have.

To the student of the processes of municipal government and to the professional municipal administrator, the book is a necessity; the most valuable single volume available.

LOUIS BROWNLOW.

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RECREATION SURVEY OF BUFFALO. L. H. Weir, Director. Conducted by Buffalo City Planning Association. Buffalo, 1925. Pp. 369.

This survey, from the beginning made in 1921 by the Social Welfare Conference to its completion in 1925 under the direction of the Buffalo City Planning Association, has been a coöperative enterprise. Mr. L. H. Weir, field secretary of the Playground and Recreation Association of America, was engaged to compile and interpret the collected data. Preliminary investigations indicated little correlation between the groups promoting recreational activities and insufficient facilities, especially in the poorer sections of the

city. According to the introductory statement, the survey was published to present to the citizens of Buffalo the recreational facilities already provided by existing public and private organizations and expansions necessary to have Buffalo conform to modern standards of recreation.

Recreation is considered in its broadest sense. Thus the facilities offered by the city playgrounds, parks, public schools, libraries, museums and art galleries are covered. Private agencies include industries, commercial recreation centers, churches, private schools, institutions, fraternal organizations and music, art and dramatic groups. Recreation, in this sense, means any profitable use of leisure time whether the benefit be physical, social, aesthetic or mental. As a result much valuable data has been gathered and compiled on the activities of private agencies. Despite the variety and importance of this information, no clear-cut or adequately detailed picture of existing play areas as regards dimensions, equipment, number of persons served or the leadership provided is made available. A reasonably accurate estimate of such quantitative factors seems essential to the determination of the future program of the city and the public schools as regards play areas, equipment and personnel.

The basis for a future recreation program for the city and the public schools is found in the chapter dealing with public agencies. Here, concrete proposals are made for the establishment of new playgrounds with suggested locations and dimensions. The separate recommendations for the new areas both by districts and by school locations is somewhat confusing from the standpoint of determining the total existing playground space and the total areas needed. More definite evidence of the relation between the data on population distribution and the location and extent of the proposed play areas would make for greater clarity. The chapter on organization and administration of public recreation contains a concise statement of administrative principles in recreation. The organization charts are suggestive, but they refer solely to the bureau of recreation. No plan for integrating the recreation activities of the city and the schools is included in the chapter.

There are a number of serious gaps in a recreation survey as ambitious and as voluminous as this one is. First, no critical analysis is made of the existing playground force of the city and the schools; nor is there any discussion of the num-

ber, qualifications or salaries of the additional personnel needed to conduct the new play areas recommended. In the second place, financial methods involved in playground operation receive relatively slight consideration. Reference is made to budget preparation, the estimating, purchase and control of supplies and materials and the analysis of present and proposed current and capital outlays. Finally, there is no projected financial program indicating either the procedure or the ultimate cost to the taxpayers involved in carrying out the extension of the existing recreational facilities.

The value of the survey is found in the extent and variety of the recreation data, the numerous and concrete, practical suggestions made for the conduct of play activities and the specific proposals for new and extended play areas. The emphasis given to home play and the activities of private organizations is significant. The appendix contains a compilation of statutes and ordinances relating to recreation. An excellent set of maps is included in the report.

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#### SOME PHASES OF TAXATION IN PENNSYLVANIA.

Part I, "Rural Taxation in Pennsylvania," by Prof. F. P. Weaver. Part II, "Wealth, Income and State Taxes Paid by Various Groups of Businesses in the State," by Clyde L. King. Bulletin, Pennsylvania Department of Agriculture, Harrisburg, December 15, 1926. Pp. 82.

Part I of this pamphlet gives the results of the study of phases of the rural tax problem in different parts of the state made during the summer of 1925 under the immediate direction of Professor F. P. Weaver of the Pennsylvania State College. The purpose of his study was twofold: "First, to see how nearly the assessed valuation corresponds with the selling value of property in different counties in the state, in different townships and boroughs in the county, and as to different properties in the same political division. Second, to get the total income of the agricultural industry in the state, the total worth of the farming people, and the amount of all taxes paid by agriculture to compare with similar data for other industries."

Professor Weaver concludes that the practice of making assessments by locally elected assess-

ors has proved an unqualified failure. Some property owners, both rural and urban, pay from two to nine times as much tax in proportion to the property they own as others in the same town or township, simply because of unequal assessments. Farm real estate invariably bears a heavier burden than town real estate. For example, in the northern and western part of the state, Professor Weaver found that  $24\frac{1}{2}$  per cent of the net income from town real estate went for taxes and 55 per cent of the net income from farm real estate. In two townships, situated in different parts of the state, it was found that 20 per cent of the total earnings of the farm, the farmer, and all members of his family was paid in taxes. Agriculture as a whole in the state carries a tax burden that consumes at least a 13 per cent larger share of the total earnings of the farm and the farmer than do all taxes paid out of the average earnings of the state with agriculture included in the average. Among the relatively lightly taxed incomes of the states are personal incomes of various kinds and the incomes from manufacturing, construction and general service. Professor Weaver also points out that the heavy demand for funds for schools and roads to meet the minimum standards set for education and road construction places such a heavy burden of taxation on property in certain sections of the state, that much needed relief in these sections can come only from the extension of more state aid, graduated on a basis that will supply more relief where the tax burden is relatively heavy in proportion to income.

In Part II Dr. Clyde L. King, recently secretary of the commonwealth, and now of the University of Pennsylvania, gives the results of a study of the wealth, incomes and state taxes paid by the various industrial groups of the state. The basis for the classification is the same as given in the "Annual Statistics of Income" published by the federal bureau of internal revenue. The very outstanding fact revealed by this study is that the wealth and income of the largest industrial group in Pennsylvania (the manufacturing group) is practically exempt from paying any share of the state taxes. The industrial groups of the state that are particularly called on to make up the deficit in state income due to exemption of the manufacturing group are especially: transportation and public utilities; mining; the financial business and trade. While consideration must be given to the fact that the real estate owned by the railroads and the public utilities is



exempt from local taxes, "it does not justify," in the opinion of Dr. King, "calling on these businesses to pay thirteen times the taxes another industrial group of greater wealth pays in proportion to income." The proportion of state taxes paid by the mining and quarrying industry is large chiefly because of the tax on anthracite coal. "But whatever may be said for that tax, nothing can be said for taxing the mining business ten times as heavily as the manufacturing business in proportion to income." Another outstanding fact brought out by this study is the lighter tax burden on urban earning power than on agricultural earning power. The industrial group called general service (hotels, theatres, lawyers, doctors, architects, engineers, etc.) contributes a slight fraction of its earning power to the state. "The construction industry shows the highest profits in proportion to wealth invested, yet it, too, pays a slight fraction of its earning power as state taxes." While agriculture pays practically none of the federal or state taxes, it pays so large a share of the local taxes, that its burden for all direct public revenue is relatively much heavier than is the burden on the citizens of the state as a whole.

Both of these studies are admirably executed and are deserving of the thoughtful consideration of the Pennsylvania citizenry. Incidentally, they explain the solicitude of Mr. Grundy, president of the Pennsylvania Manufacturers' Association, for the success of his candidate, Mr. Fisher, in the gubernatorial primary of last year. That solicitude, it will be recalled, reached the extent of a \$300,000 contribution to the Fisher-Pepper campaign fund.

MARTIN L. FAUST.



ORGANIZATION AND ADMINISTRATION OF THE EDUCATION DEPARTMENT. By Alfred E. Ikin. London: Pitman's Municipal Series, Sir Isaac Pitman & Sons, 1926. Pp. 238.

If one feels that the development of public education in the United States has been a bit too rapid he will be surprised to find that the history of publicly supported education in England extends over a far shorter period. Alfred E. Ikin's handbook on English school administration clearly points to the fact that the local educational administrator has "no long years of traditional procedure" upon which to act. The first threads of local authority were not spun until 1889 when certain technical instruction came under the control of county and borough

councils. The whole fabric of a board of education for the country, with a unified policy in control of all public elementary education, was not woven until 1921.

Following a brief review of the laws of 1833, 1870, 1902, 1918 and 1921 with references to those of lesser importance the author treats in detail the powers, functions, administrative organization and administrative procedure in a local educational unit. A most interesting chapter deals with the subcommittees and special subcommittees of the local councils. If the administrative machinery functions as it was designed, then the county or borough education committee not only legislates but checks the administration of the law and by-laws to the most minute detail.

While the county or borough committees have many and varied subcommittees, indicating a loosely knit legislative body, the administrative body is centralized under a single officer who is in direct charge of all business functions as well as those purely educational.

The book will undoubtedly have a direct appeal to three groups: First, the English school official and student of education for whom it was very evidently intended as a handbook; second, the foreign student of education; and third, to any student of governmental administration whether he be a school official seeking to improve his organization and thereby better its service, or an extramural investigator into school costs, procedures and results who can find among other things that the growing pains of rapidly developing educational systems are not confined to those of this country alone.

H. E. AKERLY.



Forty Millions for Traffic.—The question raised by the "Providence Traffic and Thoroughfare Plan," by Robert Whitten, is not whether the money required to build practically a new network of wide traffic routes throughout the old city, with most of the crossings of other streets at grade eliminated, will bring commensurate financial savings to citizens in the economical operation of trucks and other cars, nor even whether it will be a paying investment for the present corporate body of Providence in real estate values and other tangible returns. This we consider to be demonstrated. One can only wonder whether these forty millions, if expended in any other way, might produce a greater total return of welfare and happiness to people. Is

the difficulty with which even meagre funds are raised to finance new settlements increased by such extensive diversions of available capital into patching the old and remedying the egregious blunders of the dead past? To be sure, it is stated that Providence is bound to spend large amounts for traffic relief in any event, and that the comprehensive plan will so guide these expenditures as to achieve an efficient plan. Looking back, we see that it is the application of similar radical measures that has made possible our great cities with their congested populations. The electric car, the steel building, the elevator, the telephone, and now the superthoroughfare, each are proven vital to the continued growth of our metropolitan agglomerations.

ARTHUR C. COMEY.



**A City Plan on the Ground.**—Few cities in the United States utilize their plans, often prepared at great expense, as do St. Louis and Chicago. "Ten Years' Progress on the City Plan of St. Louis," issued by the City Plan Commission, records many miles of actual street openings and widenings, as well as new parks and zoning, which follow the master plan, and nearly fifty millions of dollars from bonds appropriated for plan projects. An even larger program is in progress to bring the city's major traffic net up to current needs, additional play areas are being acquired, and the fifteen million dollar civic center is under way. Seemingly only by such vigorous action can our larger cities keep up with the times.

ARTHUR C. COMEY.



**THE AMERICAN YEARBOOK.** A Record of Events and Progress for the Year 1926. Editor, Albert Bushnell Hart; Associate Editor, William M. Schuyler. New York: The Macmillan Company, 1927. Pp. xvii, 1178.

For those interested in events and general progress in the United States during 1926, the *American Yearbook* serves as a very useful handbook. The main divisions are the same as those of the 1925 edition: Three dealing with public affairs, one each with economics, social conditions, the sciences and the humanities. It also contains an extensive table of contents, a chronology, necrology and an index, all of which add to its value as a book of ready reference.

Additional subjects are included in the 1926 volume and more contributors are thus represented. At the close of each division is included

a list of national organizations concerned with the subjects dealt with therein. This is also an addition not found in previous volumes.

E. C.



**The Municipal Index for 1927** is the fourth annual volume published by the American City Publishing Company. It is compiled especially for municipal officials, but is also useful to others interested in municipal affairs. Each year has seen new tables added, and the 1927 book contains some fourteen new tabulations. Articles on special subjects by men prominent in the various fields and bibliographies covering the more important phases of municipal government also make it a valuable reference work. As the only book of its kind in the field, it has a definite place among useful publications on local government.

E. C.



**REPORT OF THE COMMITTEE ON SANITARY CONTROL IN THE DEVELOPMENT OF GROUND-WATER SUPPLIES.** Public Health Reports, November 26, 1926. United States Public Health Service, Washington, D. C. Reprinted from the Transactions of the Sixth Annual Conference of State Sanitary Engineers.

This report summarizes the sanitary defects affecting the safety of water obtained from various types of ground-water supplies, such as wells, springs, and infiltration galleries, and indicates the safeguards which should be employed to remedy them. Examples are given of towns in which epidemics have occurred due to the various defects. A code of principles on the sanitary control in the development of ground-water supplies is included.

Three appendices give, respectively, a bibliography of reports of epidemics from ground-water supplies, references to articles discussing the various defects and safeguards, and suggested regulations covering the installation of well-pumping machinery.

C. A. HOWLAND.



**SWIMMING POOLS AND OTHER PUBLIC BATHING PLACES.** Report of the Joint Committee of the American Public Health Association and the Conference of State Sanitary Engineers. *American Journal of Public Health*, December, 1926.

The joint committee on bathing places submitted its report at the fifty-fifth annual meeting of the American Public Health Association. In



this report standards for the design, construction, equipment, and operation of public bathing places are presented. These standards represent the result of about six years of effort to formulate a uniform practice for the construction and operation of swimming pools.

C. A. HOWLAND.



**Grading Municipalities To Determine Fire Insurance Rates** by Harvey Walker, is a reprint from *Minnesota Municipalities*. The information is especially valuable to municipalities in Minnesota, but should be of much general interest as the National Standard Grading Schedule

is used. It is a very thorough treatment of the subject, and is presented in a lucid style.

E. C.



**Garbage and Refuse Disposal for Small Municipalities** is one of the recent publications of the League of Minnesota Municipalities. It contains two suggested ordinances: one regulating the collection and disposal of garbage and rubbish, and the other establishing and regulating the municipal dumping ground, which are applicable to the smaller municipalities.

E. C.

# JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

*Professor of Law, Georgetown University*

**Zoning—Comprehensive Zoning Ordinances Upheld in Tennessee.**—Among the many recent zoning decisions, that of the supreme court of Tennessee upholding the comprehensive ordinances of Memphis is perhaps the most noteworthy, aligning that state with the majority of our jurisdictions. (*Spencer-Sturla Co. v. Memphis*, 290 S. W. 608.) The legislative act conferring such authority upon cities having a population above 100,000 inhabitants was passed in 1921 and the ordinance in question in 1922. The statute directed that regulations should be made "with reasonable consideration, among other things, to the character of the district, its peculiar suitability for particular uses, the conservation of property values and the direction of building developments." It further provided for an investigation before action by the city, for the continuances of industries and uses already established and that amendments should be made over the protest of property holders only by a four-fifths vote of the municipal legislature.

The plaintiff in error was charged with unlawfully maintaining an undertaking establishment in a "B residence district" from which such business was excluded. The court brushed aside the contention that the power to exclude was not included in the term "regulation," and held that the ordinance was not unreasonable because of its prospective application, the impracticability of prohibiting the continuance of an existing use being held to be a reasonable basis for the apparent discrimination involved in failing to make the ordinance retrospective. Upon the claim that the ordinance was void under the Fourteenth Amendment, the court says that "the holding of the Supreme Court in *Village of Euclid v. Ambler Realty Co.* would also force us to overrule this contention." In addition to this view of the finality of the Euclid decision, the opinion of the court peculiarly emphasizes the maintenance of property values as a proper basis for the exercise of the police power.

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**Initiative and Referendum—Applicability to Zoning Ordinances.**—In *Dwyer v. City Council of Berkeley*, 253 Pac. 932, the supreme court of

California holds that the right reserved to the people by the state constitution to submit legislative questions to direct vote cannot be abridged by any procedural requirements of a general zoning ordinance and that therefore the provision that a two-thirds vote of the city council is necessary to rezone certain territory over the protest of 20 per cent of the owners of the lands involved is inapplicable to direct legislation under the initiative and referendum powers of the city charter. The question arose by petition for a mandamus to compel the city authorities to submit an amendment to the general zoning ordinance which would take out of a restricted district a portion of the campus of the University of California so that a part of the land could be used as a chicken farm, designated by the petitioner as "an experiment station in connection with instruction in poultry husbandry."

Under the California law, only ordinances that involve an exercise of the legislative prerogative are subject to initiative and referendum. Thus, in some cases street improvement ordinances are regarded as local in character and not included in the sphere of general legislation. But the court holds that zoning ordinances are police power enactments, designed for the promotion and perpetuation of the moral and material welfare of the people of the entire city. The sectional interest of property owners to be affected by an amendment must therefore be subordinated to the general interest of the electorate. As the home rule charter of the city does not expressly exclude this method of amending the general zoning ordinances, the court concludes that the constitutional reservation of the right to the city requires the submission of such amending ordinance properly initiated to the vote of the electorate.

This decision, which practically nullifies the carefully drafted provisions for the protection of districts created under the comprehensive zoning ordinances, illustrates how subtle personal interest may overcome that support of approved and useful measures which we should expect from public-spirited citizens. Fortunately, under the California system, the city may so amend its own charter as to preclude the



application of direct legislation to referendum projects designed to protect the property owners of a restricted district.



**Zoning—Setback Lines Upheld.**—The setback provisions of the joint ordinances of the city of Warren and of the city of Cleveland have recently been sustained in *Harris v. State*, 155 N. E. 166, and *Weiss v. Guion*, 17 Fed. (2d) 262, respectively. In both these cases the ordinances provided for setback lines based upon the average of existing lines in a given block and their application made prospective. The usual provisions for appeal were included, but the petitioner in each case attacked the validity of the ordinance not only upon the question of reasonableness but also upon the usual constitutional grounds. The latter objections were quite summarily dismissed upon authority of the adjudicated cases and the contestants reminded that the establishment of reasonable setback lines from an early day and long before zoning was heard of has been uniformly sustained as a proper exercise of the police power.

Under the comprehensive enabling act in Ohio, no question of the delegation of power to enact these regulations could be raised, and aside from the constitutional issue there was left only that of the reasonableness of the ordinance. The state court of appeals decided in favor of the method of fixing the setback line for future building as the average of the frontages of existing buildings in a given block by challenging the objectors to find any other measure that could be so fairly applied. The federal court in the Cleveland case came to the same conclusion by postulating the reasonableness of the ordinance *prima facie* on the legislative act and placing upon the plaintiff the burden of demonstrating the alleged unreasonableness. By its own process of reasoning, the court in each case came to the conclusion that such an ordinance "could be overthrown only by holding that any setback ordinance deprived the abutting property owner of his property without due process of law."



**Highway Districts—Idaho Law Held Invalid.**—The United States district court for the southern district of Idaho in *Oregon Short Line R. Co. v. Clark County Highway District*, 17 Fed. (2d) 125, granted an injunction restraining the defendant from issuing \$100,000 in bonds for highway construction upon the ground that the

statute under which the district was organized violated the due process clause of the constitution. The Idaho statute, enacted in 1919, provides for the organization of highway districts on petition of not less than fifty holders of titles to lands in a contiguous tract of at least 20,000 acres or \$1,000,000 in value, or of not less than 20 per cent of the adult residents in the territory, defining the boundaries of the proposed district and giving it a name. Upon the filing of such a petition, an election must be called, and upon approval by a majority vote of the qualified electors the district must be declared duly organized and has power to issue bonds payable by *ad valorem* taxation. The court bases its decision upon the well-known Archer County case (*Browning v. Hooper*, 269 U. S. 396), decided by the Supreme Court in 1926, in which the court held that somewhat similar highway districts organized under the Texas statutes were without power to levy *ad valorem* taxes in the nature of special assessments, because no provision was made for notice and hearing as to special benefits, thus distinguishing assessments so made from those by a district directly created by the legislature and by a municipal corporation which also makes a legislative determination that the property to be assessed for the improvement will be benefited thereby. (*Valley Farms Co. v. Westchester*, 261 U. S. 155.)

It is to be noted that in the instant case the decision is by the district court and subject to appeal to the circuit court of appeals and finally to the Supreme Court. The district judge seems to give rather too much weight to the method of creation and not enough to the powers conferred upon the district. Under the Idaho statute, the district when organized becomes vested with wide jurisdiction over the highways to the exclusion of other municipalities within its limits. Its governing board, consisting of three commissioners, elected every four years, is clothed with large powers and a measure of discretion. In short it exercises powers over the highways similar to those of municipal corporations and is liable for their proper maintenance to the same extent. (*Strickfadden v. Green Creek Highway District*, 248 Pac. 456.) It would seem that if the legislature may direct municipal corporations to build and improve highways by an *ad valorem* tax, the assessment in the instant case should not be regarded as based upon the doctrine of special assessments. The legal status of the Idaho highway districts had already

been defined in numerous cases, but in none had the question raised in the Archer County case been presented. (*Shoshone Highway District v. Anderson*, 22 Idaho 109, 125 Pac. 219; *Kimama Highway District v. Oregon Short Line*, 298 Fed. 431.) We may await with interest the decision of the appellate courts.



**Home Rule—Power of City To Make Local Election Laws.**—The delimitation of the sphere of home rule by the courts in the several states which have recently adopted home rule amendments and statutes is among the most important of the problems of our municipal development. The extent of local powers under the New York home rule amendment of 1923 came before the supreme court of New York in *Bareham v. City of Rochester*, 220 N. Y. S. 66, in which the city home rule law of Rochester approved by the electors of that city in 1923 was under attack. The court sustains the provisions of the local law, except so far as it contravenes the general statute by enacting that "no appointive office or position may be filled by any person who within one year previous to the date of such appointment has held an elective office in the city." The court sets aside this provision upon the authority of the state constitution which provides that "the legislature shall not pass any private or local bill in any of the following cases. . . . The opening and conducting of elections or designating places of voting." "Taken as a whole," says the court, "the local law cannot be declared illegal. The void parts are severable from the valid, and the valid must stand. (*People ex rel. Alpha Portland Cement Co. v. Knapp*, 230 N. Y. 48, 60, 129 N. F. 202; article 20, Rules of Constitutional Interpretation; 2 McKinney's Statutes, 35.) The parts of the law held invalid because of their conflict with the election law must, of course, yield to the law, and all elections held in the city must be conducted in accordance with its provisions. It is felt that in the state law, certain parts of the old charter left unrepealed, and the valid parts of the new local law, the city has abundant and appropriate authority for the lawful, practical, and continuous exercise of all of its functions."



**Ownership—Judicial Control over Rates for Services.**—The city of Lock Haven has owned and operated its water supply for the past twenty-five years, and during that period has

been accustomed to donate to new industrial establishments as an inducement to their location free service for a period of two years. The question of the validity of such an agreement recently came before the supreme court of Pennsylvania in the case of *American Aniline Products Co. v. Lock Haven*, 135 Atl. 726, in which city the plaintiff had located its plant relying upon the inducement of such an agreement.

Municipally-owned water works in Pennsylvania are not subject to the control of the public service commission (*Barnes Laundry Co. v. Pittsburgh*, 266 Pa. 24), and the city's power to regulate the rates for the service supplied by it is as extensive as that of the commission over private corporations (*Suburban Water Co. v. Oakmount Borough*, 268 Pa. 243), but the city is without power to contract away this governmental right of regulation, and the rates it may establish must be reasonable and undiscriminatory at all times. Therefore, even admitting that the contract for free service was not illegal, the court holds that no rights of the defendant were violated by the imposition of charges for water furnished. A reasonable rate fixed by contract under a clearly delegated power for a definite term not unreasonable in point of time would probably be upheld by the federal courts, on the analogy of the validity of similar rates fixed by franchise, but clearly the agreement to donate service is void under the provision of the state constitution forbidding the grant of any gratuity to a private corporation.



**Traffic Regulations—Exclusion of Solid Tired Vehicles from Certain Streets Upheld.**—The court of appeals of the District of Columbia in *Smallwood v. District of Columbia*, 17 Fed. (2d) 210, sustained a regulation promulgated by the District traffic manager, to whom the power was delegated by an act of congress, excluding commercial vehicles equipped with solid tires from the use of certain specified streets. The regulation in question was held to be reasonable as it made an exception in favor of such vehicles proceeding to receive or deliver loads to property holders located on such streets. In addition to local decisions, the court cited as precedents *Commissioners v. Kingsbury*, 199 Mass. 542, *State v. Mayo*, 106 Me. 62 and *People v. Waldo*, 131 N. Y. S. 307.

An able dissenting opinion was filed by Acting Associate Justice Halfield, who maintained that

the statute giving the traffic manager power to regulate did not carry with it the power to exclude. As a commentary upon the extent of implied powers of a municipality his opinion is well worth reading, but the conclusion that the power of regulation is exceeded when it results in exclusion of non-complying vehicles does not seem to follow as a logical conclusion. The ancient ordinances forbidding the use of any of the city streets by "carts shod with iron" seem never to have been questioned as within the local governmental power. The justice freely admits, of course, that the power could be exercised by congress or conferred by express delegation upon the city officials.



**Ordinances—Reasonableness of Sunday Closing of Bakeries.**—In *Komen v. St. Louis*, 289 S. W. 838, the supreme court of Missouri sustained the ordinance of the city of St. Louis, requiring the closing of all bakeries after 9 A.M. on Sunday, the power being implied from the general welfare clause of the charter. The plaintiff who sought an injunction against his arrest for the violation of the ordinance claimed that it was invalid as

violating his religious freedom and as an unreasonable exercise of the police power. The court held that the implication of the city's power arising out of the grant of corporate existence was sufficient to authorize the enactment and enforcement of the ordinance. As to the claim of unreasonableness, the court points out that the ordinance is more liberal than the corresponding state statute on the same subject that it applies with uniform exactness to all persons of the given class which it favors rather than discriminates against.

In the absence of constitutional or statutory inhibitions the power of municipalities to regulate the transaction of public business on Sunday has been recognized from time immemorial. Among the ordinances of the city of London collected in the *Liber Albus* published in 1419, is found one providing "that barbers shall not keep their shops open on Sunday," and a similar statutory provision has been held to be constitutional in Missouri. Upon the general question of Sunday Labor Laws, the reader may be referred to an excellent article by C. S. Neuhoff published in the February, 1927, number of the *St. Louis Law Review*.



# PUBLIC UTILITIES

EDITED BY JOHN BAUER

**The Interstate Commerce Commission and Fair Value.**—Last month we reviewed the decision of the Supreme Court of the United States in the Los Angeles-Salt Lake Railroad Company, in which the company sought the Supreme Court to invalidate the entire valuation made by the interstate commerce commission under the 1913 Valuation Act. The Supreme Court refused to interfere because the valuation had been made merely as a part of the commission's administrative duties under the law without any actual issue to be litigated. It made clear, however, that any such valuation would be subject to judicial review whenever it formed the basis of a positive order or decision by the commission involving the financial interest of a company making a complaint.

The Interstate Commerce Commission has come along promptly to supply such a case which will test the fundamental principles of the railroad valuation and their application to rate-making and other purposes of the Interstate Commerce Act. In the St. Louis & O'Fallon Railway Company case the commission, on March 31, 1927, issued an order under the 1920 Transportation Act providing for the recapture of excessive earnings and based its findings practically upon the valuation made under the 1913 Valuation Act. The decision will doubtless be contested by the railway company and will be carried to the Supreme Court of the United States. It involves the fundamentals of valuation that must be used both for rate-making and for the recapture of excessive earnings.

## THE 1913 VALUATION ACT AND RATE-MAKING

To make clear the issue, we shall state briefly the provisions of the Interstate Commerce Act relating to valuation, rate-making and the recapture of excessive earnings. Under the 1913 Valuation Act the commission was required to place a valuation upon all the railroad properties of the country and after the date of the valuation to obtain regularly "continuation reports" relative to annual additions and retirements of property, also other operating and financial data. The valuation job has been a tremendous one and has been delayed not only because of the

immensity of the project but also by the War. For most companies, however, at least tentative valuations have been made, and a "continuation" record has been maintained to show the cost of all additions and the amounts of retirements since the date of each valuation.

The ultimate use of the valuations as thus determined, with the "continuation" reports was not definitely fixed by the Valuation Act. It did show clearly, however, that the purpose was primarily for rate-making, and this was more specifically determined by the 1920 Transportation Act. But even with the latter development, there was no specific direction just how the valuations were to be determined, how used, and in what way, if any, they are to be modified for particular purposes. The law directs the commission to use the valuations for rate-making but yet may be construed to leave as a general standard the "fair value" laid down by the courts for ordinary rate-making. Just how, therefore, to use the valuations in connection with the undefined judicial standards of "fair value" and yet carry out the broad purposes of the Interstate Commerce Act, has been a baffling problem with which the commission has been struggling.

## THE RECAPTURE OF EXCESSIVE EARNINGS

The 1920 Transportation Act provided also for the "recapture" of excessive earnings. It provided that rates in general should be fixed high enough by regional groups so as to bring a fair return on the aggregate value of all the railroad properties in each section. But if any company under such rates fixed upon the aggregate value of the group, realized more than six per cent upon the "fair value" of its own property in any year, it is required to pay one-half of such excess to the government and maintain the balance in a special reserve fund. To compute such excess earnings, the commission is authorized to use the valuation under the 1913 Valuation Act and to base its findings upon all elements of value as required by the law of the land. But there is no specific direction how the terms of the statute are to be treated within the general judicial statements as to "fair value."

The particular case appears as a "recapture" case covering the years 1920-1922. The principles of valuation involved, however, are generally regarded to be the same, and the case doubtless will furnish the test before the Supreme Court of the ultimate basis of valuation that must be used under the 1920 Transportation Act in conjunction with the 1913 Valuation Act for the purpose of rate-making as well as for the "recapture" of excess earnings. The commission has determined the excess earnings payable to the government by the company under the "recapture" provisions of the law. While there were other issues involved, the principal point is the basis of determining the "fair value" by which the excess earnings are to be measured. The company claimed the right to measure the excess by the reproduction cost of the properties for each year in question; that "fair value" under the law, as expressed in the various rate cases, is predicated almost exclusively upon reproduction cost at the time of the inquiry.

#### REPRODUCTION COST REJECTED

The commission refused to take this point of view and except as present day prices are represented in recent additions and in land values, it practically disregarded the reproduction cost factor. It substantially used as "fair value" its valuation of the properties as determined under the 1913 Valuation Act, plus the cost of additions made subsequently, and minus the retirements priced at book or appraisal values, also modifications for accrued depreciation. In this instance the initial valuation under the 1913 Valuation Act was made as of June 30, 1919. The unit prices, however, were those of 1914, as employed uniformly for all railroads under the Valuation Act. But for additions made since 1914, there was added the excessive cost above the 1914 unit prices. The land was valued as of the date of the valuation on the basis of adjoining land values. Then for each of the years involved in the action, the base value was modified according to the additions and retirements reported by the company.

The higher price levels of 1920-1922 compared with 1914, were recognized (1) in the allowance for excessive costs of additions made since 1914, and (2) in the valuation of land on the basis of adjacent land values prevailing at the time of the valuation. For other property, the rise in prices after 1914 was disregarded. In general the commission's view is that the "fair value"

for any such case consists of its initial valuation based upon 1914 prices, plus actual costs for subsequent additions, and minus retirements and further accrued depreciation. This presumably will be the base used by the commission in all "recapture" cases and for future rate-making, if it is sustained by the Supreme Court.

The question is whether the commission can carry out its duties on the basis of the single valuation made under the 1913 Valuation Act, with subsequent changes based upon exact records, or whether for every action, recapture or rate-making, it must make a new valuation based upon prices and conditions determined separately for each occasion.

#### THE PURPOSES OF THE STATUTE

The commission based its decision upon the explicit and implicit requirements of the Interstate Commerce Act. The purpose is directly expressed to provide a system of regulation so as to permit the development of transportation in the interest of the country at large. To this end, the commission assumes that rates must be fixed so as to attract a regular flow of capital to the railroads according to natural economic developments. It believes that this object is accomplished most effectively upon the basis of valuation used and by the methods of administration thus made possible. On the other hand, it believes that the expressed purpose of the statute would be defeated if rate-making and recapture were based upon "fair value" determined according to the reproduction cost of the properties for each occasion.

The commission pointed out that the valuation used would provide definitely for the returns expected by the investors. As funds are invested in railroad developments, the amounts would be included in the valuation, would be definitely recorded, would be supported by rates, and would be included in the base for computing recapture. The capital would get the return expected, and there would be the natural flow necessary for transportation requirements.



**North New Jersey Transit Plans.**—The North Jersey Transit Commission was organized under the laws of 1926 for the purpose of further considering the transit problem particularly in relation to connections with the city of New York. The commission issued its report as of February 10, 1927. This report is important not only because it affects the development o

large part of the metropolitan area and looks toward a better distribution of the metropolitan population, but also in its discussion of general transit policies particularly with reference to methods of financing and control.

As to the physical plan the report is built upon and is a continuation of the comprehensive report made a year ago by the predecessor commission. The plan in general contemplates an interstate loop which would provide a longitudinal line on the New Jersey side of the Hudson River, would provide extensions under the Hudson River to Manhattan, there would join with existing New York City rapid transit lines, and ultimately would complete a loop service through Manhattan. On the New Jersey side near the middle of the line there would be a general *transfer* station at which passengers would be received from and delivered to the various commuting railroads. Contacts with the commutation lines are also to be made at other points north and south of the general transfer station. For the future the plan is flexible so as to provide for development of rapid transit lines into the suburban territory in New Jersey and to coördinate fully the existing commutation lines. Its object is primarily coördination, and it seeks to avoid duplication and competition with existing facilities.

Perhaps the most interesting part of the work is the financial section. This has been prepared by Philip H. Cornick, a specialist in taxes and assessments connected with the National Institute of Public Administration, and the Bureau of Municipal Research of New York. Mr. Cornick has prepared a study which has a broad general interest apart from the particular project. It is important to everyone interested in municipal transportation, methods of financing, and the problem of public control.

Mr. Cornick's general conclusion is that the only practicable way of financing the proposed transit plan or any modification that may prove feasible, will be in a large part through assessments. The new transit facilities would certainly add greatly to the adjacent property values and the benefits would extend over considerable areas. He believes that the cost of construction should be assessed upon such properties in proportion to the relative benefit. For the successful organization and development of the plan he suggests a special organization similar to the Port Authority established for the specified purpose, with power to issue secu-

rities and to enter into such contracts and arrangements as may be necessary to carry out the intended purpose. Such a special governmental unit would doubtless be feasible under the New Jersey law.

In his studies Mr. Cornick made a survey of the financial policies pursued by the various municipalities all over the country in financing transit programs. He also presented an interesting concrete study of the effect that special transit stations and facilities have had upon adjacent property values. His conclusion is unavoidable: that any practicable program must be financed in large part through assessments and that the assessments would be thoroughly justified by the special benefits conveyed upon the particular properties.

The physical plan and the financial studies are extremely interesting and undoubtedly important so far as ultimate future developments are concerned. As for the immediate results, the report leaves one skeptical as to the possibility of speedy realization. On the physical side there are too many railroad companies to bring to agreement; each has its own particular interest at stake. There are also scores of independent municipalities whose respective interests must be unified. As for assessments there can be no doubt that the principle is sound, but its application will prove an extremely difficult matter.

There is, however, the final difficulty which the report practically ignores as if it were nonexistent. It seems to be assumed that, of course, the full coöperation of the city of New York will be obtained in providing not only the connections with the existing rapid transit lines, but also to furnish the way for a special commuter line through Manhattan to complete the interstate loop. This assumption appears rather visionary at least so far as immediate realization is concerned. New York has difficulties almost insurmountable if it is to come to agreement with itself in regard to new rapid transit lines to be constructed and in regard to the future organization of existing lines and their coördination with the new lines. Agreements with the North New Jersey municipalities as proposed certainly is a matter of some distant future. There is also the point as to the effect of the New Jersey plan upon the city of New York. Undoubtedly the proposed system, if carried out, would have a profound influence upon the redistribution of population and upon property values in New



York City. The New York authorities, therefore, would regard most carefully any arrangements with other territorial units as to the effect upon their own transit plans and upon the real estate values which are basic to their plans.

To one interested in sound economic and political organization, the plan proposed certainly points in the right direction. It is unfortunate that the great metropolitan section cannot be treated for transit and other important functions as a unit. The present demarcation between states and municipalities, however, does

exist and forms an almost insurmountable obstruction to the desirable economic developments that are sorely needed. While the New York Port Authority which was organized for the purpose of obviating these difficulties has undoubtedly accomplished excellent results, its experience in dealing with the various private interests affected, the two states, and the different municipalities, has encountered much disagreement and certainly indicates the difficulties with which any broad-gauged metropolitan rapid transit program is confronted.

# GOVERNMENTAL RESEARCH CONFERENCE NOTES

EDITED BY RUSSELL FORBES

*Secretary*

**Buffalo Municipal Research Bureau.**—A movement of several years' standing culminated in the establishment, in March, of the Municipal Research Bureau of Buffalo. The director of the new bureau is Harry H. Freeman, formerly city manager of Kalamazoo, Mich., and more recently a staff member of the Rochester Bureau of Municipal Research.

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**Cincinnati Bureau of Municipal Research.**—*Administrative Code.*—The major interest of the staff for the last two months has been the preparation of a report on the administrative code. This code, as defined by the recently adopted charter, is to set up the administrative structure of the city government—that is the departmental and bureau organization. The bureau was requested by the city manager to submit its recommendations, and a report thereon has gone forward to the city manager. This report not only discusses the content of the administrative code, but suggests a set-up for the whole municipal code of ordinances of which the administrative code will be one chapter.

The report proposes a new departmental organization and assigns the duties and powers of each of these departments. The reasons for the changes are described in the body of the report, and the actual preliminary draft of the administrative code is attached in an appendix. The bureau is now cooperating with the city solicitor in the final draft of the code.

*Improvement Program.*—Some months ago the question of an improvement program was discussed in a preliminary way with the result that City Manager Sherrill and Councilman Rose were appointed a sub-committee to suggest a plan of procedure. These two officials in turn requested the director of the bureau and the engineer of the City Planning Commission to submit their recommendations. These recommendations have finally been submitted and are to be acted upon at an early date. If the recommendations are acceptable, the city will cooperate with the county and

school district in the formulation of a five year capital budget. The report contains definite recommendations as to how this program shall be prepared, how it shall be brought to the attention of the various legislative bodies, and how it is to be amended from time to time. The objective has been one continuous planning, rather than a set, rigid program immediately translated to a large bond issue.

County Prosecutor Taft has requested the bureau to undertake a survey of criminal justice. The bureau has agreed to this request, and a preliminary program has been adopted. In a general way the survey will go into the questions of occurrence of crime, the effectiveness of the apprehension process, the procedure in the municipal and county courts, record systems, and certain social studies. The first approach will be through a statistical analysis of the court process, for which Dr. C. E. Gehlke, Western Reserve University, has been employed as consultant. The second phase of the study, shortly to be undertaken, will consist of case studies of typical offenders.

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**Taxpayers' Research League of Delaware.**—The League has published in printed form its report showing that there is in the state sinking fund a surplus of \$1,064,000, and that by utilizing the surplus to cancel certain state highway bonds, \$2,732,000 can be saved to the revenues of the State Highway Department during the remaining years in which these bonds would otherwise run.

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**Detroit Bureau of Governmental Research.**—*Race Conditions.*—The Mayor's Committee on Race Relations of Detroit has just made public a brief summary of findings and recommendations based on a survey of race conditions in the city undertaken in 1926. This summary has been reprinted as *Public Business No. 108* by the Detroit Bureau of Governmental Research. The summary report itself is based on a comprehensive study entitled *The Negro in Detroit*,

which was prepared by Forrester B. Washington of Philadelphia, and Prof. Robert T. Lansdale of the University of Michigan, under the general direction of the Detroit bureau. The mimeographed report is in twelve sections, covering introduction, population, industry, thrift and business, housing, health, recreation, education, crime, religion, community organizations, and welfare.

*Pensions.*—Detroit is experiencing the difficulties that usually attend retirement funds created by charter amendment or statutory enactment made without due consideration for the financial aspects. The Detroit funds now provide for the pensioning of substantially all employees. Part of them are on a contributory basis, and part are not; but even with the contributory funds there is small correlation between the demand and the resources available. Some time ago the pension committee of the Detroit Board of Education requested the bureau to make a detailed study of the teachers' pension fund, bringing up to date a previous actuarial study that had shown a staggering deficit. This study has been completed. The mayor has now informally requested the bureau to extend its study to all pension funds, and the other civic organizations of the city have promised their support in placing these funds on a sound financial basis.

*Debt Settlement.*—In view of the numerous annexations to the city of Detroit, it would be natural to expect some difficulty in reaching a financial settlement between the city and other units of government which have lost portions of their territory. In consequence, the bureau has been invited by the controller's office and other affected governments to act as an arbiter in certain of these difficulties. Two reports have been prepared, submitted and accepted, dealing respectively, with a debt settlement between the city of Detroit and Redford Union District No. 1, and between the city of Detroit and Rural Agricultural School District No. 1 of Grosse Point Township.

*Bond Budget.*—The Detroit bureau has been endeavoring to lay the foundation for a bond budget for the city of Detroit, thus practically completing an otherwise satisfactory city budget procedure. In consequence, the mayor appointed a committee on municipal finance in 1925, which prepared a ten-year financial program dealing with all public improvements. This program received wide attention from the press, but was

not officially adopted by the common council. Again, in 1927, the mayor reconvened this committee and appointed additional members for the purpose of making such modifications in this program as a lapse of time had warranted. Owing to the injection of a rapid transit dispute, on which the committee took a definite position, the bond program aspects of the committee's work received relatively small attention. However, the report is being published by the bureau as an issue of *Public Business*, and Mr. C. E. Rightor of the bureau's staff has in preparation a brief pamphlet on the methods employed. At the request of the committee, Mr. Rightor served as secretary for both studies.

*Special Assessments.*—If the experience in Detroit is any criterion, considerable attention should be given by the research group to a study of the levying of special assessments and the financial treatment of special assessment sinking funds. Some years ago it was noted in Detroit that the city was charging property owners only 4 per cent on deferred payments on special assessments, although the bonds sold required from 5 to 6 per cent interest. In consequence, an audit of the special assessment sinking fund made by the bureau indicated a deficit of about \$750,000. This amount was placed in the budget by a former city controller, but on the earnest representations of the bureau was stricken out by the mayor. The bureau asserted that this deficit would not need to be met as long as the city continued to issue special assessment bonds in large quantities, and that an increase in the interest rate from 4 per cent to 6 per cent would automatically cancel the deficit in due time. The rate on unpaid installments was increased to 4 per cent. At the request of the controller, the bureau is now auditing the fund to determine to what extent the deficit has been reduced by the measures taken.

*City Real Estate.*—At the request of the mayor, the bureau has recently made a study of all property owned by the city of Detroit. It was found that no complete list existed, either with the board of assessors, or the department of public works. However, a list was compiled, which is believed to be substantially correct. It was found that 494 parcels were in use, and 61 parcels were not in use. The bureau interviewed the department heads and suggested that these 61 parcels be disposed of by transfer to other departments, or by sale, as might be agreed to by the mayor and council. In the current



budget the mayor included as a receipt the sale value of a substantial portion of these parcels. The council concurred in the disposition of properties valued at about one-half of the budget item.

*Purchasing.*—For about six months the bureau has had one staff member delegated to the office of the purchasing agent working on a classification of purchase supplies and coöperating in the standardization of these supplies. Incident to this work, it is expected that complete inventories will be taken and that all supplies and equipment of the city will be placed under accounting control and appear as a balance sheet item of the city. In this same connection, it is proposed to place all city properties under control following the inventory made by the bureau, thereby making possible a complete balance sheet except for sewers and paving.



*Taxpayers' League of St. Louis County (Duluth).*—Much time has been devoted to legislation affecting Duluth and St. Louis county now under consideration by the Minnesota legislature. A model bond law has been passed by the legislature which is closely patterned after the model law of the National Municipal League. A bill which would establish a commission to review all tax levies and bond issues has been introduced. This bill is sponsored by the governor and the house committee on taxes and tax levies. The plan corresponds closely to the Indiana Plan with the additional provision that a decision of the State Tax Commission can be over-ruled by a referendum vote of the people. Due to the lateness of the introduction of this bill, it is probable that it will not be passed this year.

*Street Improvements.*—The Taxpayers' League has been urging the city to adopt a pay-as-you-go program for financing street improvements. Under the Duluth charter the city is required to pay approximately 20 per cent of the cost of all street improvements, and for the last several years this payment has been met by the issuance of bonds. The point has been reached where taxpayers are called upon to pay out more in interest and principal payments on these bonds than they borrow. To remedy this situation the league urged a direct tax levy, and this proposal was accepted by the voters at the spring election held April 5.

*Police Manual.*—After considerable delay, the police department has finally adopted the police

manual prepared by the Taxpayers' League several months ago.

*County.*—The league is making a study of county road expenditures and the purchasing methods now employed by the county commissioners.

*Legislation.*—Studies that have been made in connection with the state legislature concern rural high schools, county hospitals, state trunk highway expenditures, mothers' pension, and state aid to schools.



*Kansas City Public Service Institute.—County Government.*—This institute has just finished a report on the general organization of the county government of Jackson county, which includes Kansas City. The principal suggestion was that the county court (county commission) appoint a commission to draw plans for revision of the county government and to prepare the necessary legislation for submission to the next session of the Legislature. The county court has announced that it will appoint such a commission. The institute will probably do a great deal of work with this commission during the next two years.

The government of Jackson county has the same type of organization that is found in most states—that is, a large number of independent elective officers only indirectly responsible to the central body—the county court. Fortunately, in Missouri, reorganization can be accomplished very largely without constitutional amendment. At present, the plan is to accomplish as much as possible by a statute, and after that is done to endeavor to secure further revision through amendment of the constitution.

The institute is also making a detailed study of the welfare activities of the county government, including all the county institutions. This work will not be completed for some time.

*City Finance.*—A report summarizing the financial condition of the city and illustrating the necessity for careful financial planning has been prepared and will be used primarily to persuade officials and other organizations to help prepare a ten-year program. The principal difficulty will be in financing necessary improvements. A tax rate increase of  $1\frac{1}{4}$  mills has been recommended by the city manager to meet additional requirements for debt charges. Even this increase is only about one-half enough. To take care of present deficiencies, and at the same

time to provide for capital requirements for the next ten years, is quite a problem.

*School Bonds.*—A proposal for an additional school bond issue has been analyzed to determine the necessary tax rate. In connection with this, a preliminary study has been made of the building requirements for the next ten years.

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*Michigan Tax Economy League.*—A research bureau and taxpayers' league known as the Michigan Tax Economy League has recently been organized for the state of Michigan. The main office will be at Lansing, the state capital, and a branch office will probably be maintained in conjunction with the Detroit bureau at Detroit. Mr. L. E. Rowley has been engaged to act as secretary and negotiations are under way for a director.

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*The New Bedford Taxpayers' Association.*—In consulting with the mayor in regard to the budget for 1927, it was thought advisable to have the association make some detailed studies of various departments in cooperation with the departments themselves. It is planned to begin these studies with the health department. It is the practice of the association to report on studies directly to the board which controls that department, and only in exceptional cases will any general publicity be given to such report.

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*Institute for Public Service* (New York City, as submitted by William H. Allen).—The Institute for Public Service has given chief attention to reports by two official committees, one state, one city, on educational finance and teacher salaries. We have tried to get before the public the fact that the Friedsam Commission, after showing that the big cities of the state did not need state aid to finance themselves, recommended first year aid of \$18,500,000; and that the Mayor's Committee on Teacher Salaries, after concluding that present teacher pay is not too low to secure an adequate supply of teachers in competition with other cities and vocation, recommended first year increases estimated at \$14,000,000, which Associate Superintendent Mandel says would cost nearer \$20,000,000 next year and \$32,000,000 in a few years.

New York's voting an indirect state tax equivalent, in three years, to \$1,500 per unit of

27 elementary pupils and \$1,900 per 22 high school pupils, six tenths of a mill on full valuation, and New York City's seriously considering \$4,092 for elementary teachers holding a master's degree will undoubtedly "start something" in every state. Constitutional guarantees against high local taxes are beginning to shrink in stature when taxpayers see how easily officials can invent indirect taxes without conditioning their use.

To test leaders' ideas of what best teaching and influencing are worth, a return post card was sent out with fourteen check-in statements. First returns indicate that plain taxpayers think \$4,092 too high for elementary and junior high teaching while professional researchers and civic workers incline to think it about right.

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*San Francisco Bureau of Governmental Research.*—*Salary Standardization.*—The classification of all city employees for salary standardization purposes by the civil service commission of San Francisco, which was made possible by a charter amendment drafted by the bureau in 1924, and on which some unproductive work was done in 1926, is now to be re-started with the bureau actively participating. Everett J. Gray has been engaged by the bureau for this assignment. An agreement has been reached between the civil service commission, the finance committee of the board of supervisors, and the bureau as to policies and procedure, which it is hoped will produce scientific classification.

*Budget Procedure.*—Considerable progress is being made by the bureau in obtaining improved budget procedure for the city's 1926-27 budget, which must be adopted in June. For the first time, various departments are to submit budget requests segregated according to organization units. The bureau has been requested to cooperate with the city attorney in drafting a budget procedure ordinance to make possible a completed budget, including estimates of revenue.

*Accounting.*—The bureau has been instrumental in improving the accounting control procedure of the auditor to make it possible for the auditor to submit monthly statements to the finance committee of the board of supervisors showing the condition of all budget items, unencumbered balances, unexpended balances, and transfers.

# MUNICIPAL ACTIVITIES ABROAD

EDITED BY W. E. MOSHER

**Business Management in Government.**—A conference called by the Institute of Public Administration was recently held in London to discuss management of office staff and promotion policy. The peculiar feature of the conference was that papers were presented by representatives of industry, local government and the central government. Representing industry was the comptroller of an electrical organization and the organizing secretary of the Rowntree. The council was organized in the belief that principles effective in one type of industrial management would be of value to the governmental authorities.—*Monthly Notes*, February, 1926.

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**Educational Opportunities.**—The Program Committee of the Whitley Council presents a report on the work of the 1925-26 session as well as the announcement of courses for the coming year. It appears that 4,258 students were enrolled in the classes carried on under the auspices of the Civil Service Educational Council.

These students are accommodated in government offices and in the London County Council schools. Many of these classes occur immediately after official duties cease. The administrative officials coöperated in a very generous way.

The curriculum to be covered in the session is very comprehensive, offering courses in accountancy, economics, law, English, economic geography, history and the like. On the cultural side one may study the important European languages as well as Latin and also art appreciation, elocution and drama, practical psychology and similar courses.—*Whitley Bulletin*, January, 1927.

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**Uniform Valuations.**—An act passed in 1925 by the English Parliament provides for the development of uniformity in valuations for purposes of local taxes throughout England and Wales, and a preliminary report by a special committee has been made to the minister of health. According to this report there are upwards of 9,000,000 separate property units subject to taxation of which number some 8,000,000 are dwelling houses. The total value of these properties ex-

ceeds 370,000,000 pounds. Heretofore 14,000 separate authorities have determined valuations and their decisions have been subject to appeal to 600 committees.

In addition to the above, there are separate valuations for county purposes and in some cases for borough purposes. Furthermore, the revaluations have taken place at different times so that a variety of value levels are represented.

According to the recommendations of the committee lists are to be prepared in the future by only 717 authorities who will represent all units including the borough, urban and rural districts. Revaluations are to take place every five years throughout the country. Revision will be in the hands of 343 assessing committees and the same values will hold for both county and borough purposes. According to the scheme outlined an equalization committee is to be appointed for the whole county.

Inasmuch as the act recognizes that new valuation lists should be set up, the report emphasizes the importance of thoroughly recasting the lists, urging that existing lists should not merely be transcribed. Rules are further laid down for arriving at gross values and recommendations are made for the employment of professional assessors.

Recommendations of the committee appointed under the act are not compulsory, but as the membership consists of all classes of local authorities it may be assumed that the report will be given serious consideration.—*Local Government News*, February, 1927.

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**Community Singing.**—The city of Hastings, England, has just undertaken a novel experiment in municipal life in that it has adopted a program of community singing as a municipal function. The city council engages its own leaders, employs its military band and has set up a schedule for regular performances once every two weeks. The first meeting drew 6,000 people. Popular airs were sung, the words having been distributed in leaflet form among the audience.—*The Local Government News*, February, 1927.



**Taxation of Public Enterprises.**—A new departure in the taxation of public enterprises recently went into effect in Germany. The basic law was passed in August, 1925. Taxes of two types are provided, the one a corporation and the other a property tax.

The corporation tax specifies that "public corporations engaged in industries and organizations operating under their own legal personality are subject to taxation" with the exception of those engaged: (1) in the execution of public policy, (2) in supplying materials essential to the people, that is, without which their needs could not be satisfied, (3) those engaged in welfare and charitable activities, and (4) ecclesiastical institutions.

In explaining the type of organization that may be grouped as tax free under the foregoing list of exceptions, a distinction is made, for instance, between the electrical and gas works to which the people must turn for supplying their wants in these two directions, and the sale of electrical and gas appliances. The latter is subject to taxation.

A review of the ways in which this tax is to be applied or not applied goes to show that practically all of the enterprises which do not compete with private corporations are freed from the corporation tax and those which do compete are subject to it. This tax is the outcome of an effort made by industry and trade to put public enterprise upon an equal footing with private.

This same law declares that financial institutions owned and managed by governmental units are subject to the property tax except for a series of banks that obviously serve a general public purpose. The same principle applies here as in connection with the organizations of an industrial or commercial character.—*Preussisches Verwaltungs-Blatt*, February 26, 1927.



**Municipal Movies.**—The communes in Norway have been successfully exploiting the cinema for their own purposes. This expansion of municipal activities is to be charged to three tendencies: (1) a desire to improve the character of the cinema, (2) the eagerness of socialists to nationalize private undertakings, and (3) participation in the financial benefits derived from motion pictures.

At the end of 1926 the communes had taken possession of 120 establishments of a total number of 252. The amount taken in has risen to 12,250,755 kroner, which sum far exceeds that taken in by private motion picture theatres.

A considerable part of the profits which accrue are utilized for social purposes such as libraries, education, and vacation colonies.

A Norwegian Federation has already been organized so that better financial arrangements may be made in the procuring of films. Plans are even under way whereby this federation will undertake the production of films.—*Les Sciences Administratives*, March, 1927.

## NOTES AND EVENTS

**Race Relations in Detroit.**—As a consequence of serious race difficulties in Detroit in 1925, a mayor's committee on race relations was established. This committee has recently issued an extensive report, the survey on which it is based having been made by the Detroit Bureau of Governmental Research. As doubtless would be expected by persons conversant with race relations generally, the findings run counter to some strong popular beliefs and prejudices.

Since the World War the colored population of Detroit has grown 800 per cent. Naturally such a rapid expansion has created new social problems, problems which frequently arise through ignorance and prejudice. Thus the report states that contrary to general belief there has often been no loss of real estate value in white residential sections into which colored population has filtered. In many cases indeed the rentals and sale prices have increased. Frequently when property depreciation does occur it is due to the popular expectation that it will occur and to neighborhood hysteria.

It is commonplace that municipal public services are poorly maintained in negro districts; but the mayor's committee believes that, when they are accorded equal sanitary, educational and public works facilities, there will be a more general tendency for the colored population to remain within their own districts and that, when they do move out into new parts, property valuations will not suffer.

The committee agrees that the percentage of negro crime is higher than the average crime rate of the city. Undoubtedly, it states, this is due in part to the incomplete adjustments of the recent immigrants from the South to northern environment. The committee finds, however, that negroes are often treated with undue severity, not to say brutality, by the police. Many police believe that negro criminals offer a special peril which justifies shooting at sight, but this is not borne out by the facts.

The report compliments the department of recreation for its excellent record of service to the colored people and upon its success in keeping race friction in the use of the department's facilities at a minimum; and hopes that its report will result in a permanent race commission for the smoothing out of social difficulties.

The report is an important contribution to the

solution of a problem more aggravated in northern cities than ever before and will be reviewed in greater detail in a later issue.



**Report on New York Subways.**—The tenor of the latest report in the series by the New York Merchant's Association on the complicated rapid transit situation in that city is clearly expressed in its title, "Subway Consolidation Necessary for Adequate Service and Economy."

The report asserts relief is needed before expansion and that real relief can be provided by constructing a few short connecting links, permitting full use of capacity now wasted, and building a trunk line subway from the Bronx to Brooklyn through Third Avenue. This plan would give more relief than the proposed independent city system because it makes available much more trunk line service instead of maintaining a disproportionate amount of feeder lines, and does it at about \$300,000,000 less cost. The report unsparingly condemns the plan for an independent competing city system, and points out that, since the laws of the state make compulsory on the new lines projected by the city an ultimate rate of fare sufficient to cover all costs, "the excess outlay for the city's plans would compel a fare increase almost twice as great as that required under consolidation plans which would supply more service."

The city and subway operating companies are urged to begin negotiations immediately upon a consolidation plan providing fairly for all conclusively demonstrated equities and in the meantime to enter into such tentative operating agreements as would enable the city in letting its contracts to proceed with a definite plan of consolidation clearly in mind.

The report also suggests plans for expansion after the relief program is in effect by a Brooklyn crosstown trunk line designed for extension into the Bronx and Staten Island and a Queens Borough trunk line from Jamaica to Eighth Avenue.

The keynote of the report is, however, the logical demonstration that the five cent fare must be increased and that persistence in the independent system advocated by the five cent fare group will inevitably mean a greater increase than if consolidation is adopted.

GEORGE H. McCaffrey.



**Michigan Commission on Criminal Procedure Reports.**—In its report the commission accepts the crime wave as a fact and to meet it proposes a simplified criminal procedure. If adequate punishment follows the procedure outlined it is promised that the wave will abate. The high spots in the simplified procedure outlined by the commission include a provision that the accused may waive a jury trial if he sees fit; a constitutional amendment making conviction possible by less than a unanimous verdict of the jury; a measure directed at the professional bondsman by authorizing a court to refuse as surety anyone who is already on a bond in the court; and the requirement that notice be given if the defense is to be insanity or alibi, with names and addresses of witnesses.

The appearance of the accused on the witness stand has been a source of much discussion lately and the proposal for Michigan permits comment on the failure of the accused to take the stand and allows the court to comment on the testimony and character of witnesses. The commission also points out that the accused possesses no constitutional right of appeal and asserts that the appeal should be entirely discretionary with the supreme court. Accordingly its proposal permits the appellant the full right of presenting his case to the supreme court for its consideration, and if the court decides that the appeal is justified the entire record may be examined. But if the supreme court decides in the negative no appeal may be had.

At this writing it is too early to predict what fate the new criminal code will meet in the legislature. It seems probable, however, that it will pass with the elimination of the proposal restricting appeals to which there has been considerable objection.



**Arizona Again Attempts Statutory Reorganization.**—During the 1927 session of the Arizona legislature, Mr. Elijah Allen, a member of the house, introduced a bill to provide for the reorganization of the state administration. This bill was practically identical with a bill introduced in 1921 proposing a plan of reorganization outlined by the New York Bureau of Municipal Research. The recent bill provided for the creation of eight administrative departments as follows: military affairs, finance, agriculture, public welfare, public works and buildings, reclamation and irrigation, education and registration, and labor and industry. Each of these departments was to be

administered by a single commissioner appointed by the governor with the senate's approval and serving at the pleasure of the governor. Thirty-four existing administrative agencies were to be abolished and their functions consolidated in the proposed departments. The powers and duties of these departments were briefly outlined in the bill.

The proposed bill passed the house, but was defeated in the senate. It is interesting to note that the 1921 bill was approved by the senate, but defeated by the house. There were no objections raised to the provisions contained in the present bill by either house. It is claimed that the senate refused to pass the bill largely because of a lack of confidence in present governor who would carry the reorganization plan into effect.

A. E. BUCK.



**New York City Cuts a Salary Melon.**—Budget making is always attended with considerable rush and hurry in New York, and in the last two years it has been found convenient to eliminate all discussion concerning salary increases during the making up of the budget and to include in that document a lump sum of a million or two for the increase of the "underpaid." This sum is distributed later after the budget has gone into operation. This practice has several interesting and curious advantages. For one thing, it enables the director of the budget, an old fashioned Tammany district leader, to give applications for increases a careful scrutiny. Secondly, the process usually consumes several months so that the city saves two or three hundred thousand dollars, which is thus available for other purposes not anticipated in the budget.

The first occasion to put such a lump sum salary melon into the budget was in October, 1925, when the budget for 1926 was being prepared. The primary campaign had lasted almost until the time the budget was due, so that it proved convenient to include in the budget \$1,000,000 for wage adjustments. Inasmuch as this sum was promised for the "underpaid," it was rather difficult for outsiders to object to its inclusion without incurring the ill-will of the many thousands of "underpaid" city employees, and the department totals were not increased.

The new director of the budget did not take office until January 1, 1926, and he was busy until May preparing to distribute this salary money. Finally, on May 7, he appeared with a proposal to distribute \$672,000 to a list of some 5,000



employees. The salary increase incidentally dated from July 1, and not from January 1, as had been the original proposal. The list included, in addition to "underpaid civil service" workers, a group of "exempt" employees, many of them Tammany district leaders, who received substantial increases ranging from \$500 to as high as \$2,500.

The 1927 budget included \$2,500,000 for wage adjustments—\$1,000,000 for the clerical forces, and \$1,500,000 for the per diem labor force. The director of the budget's report on allotment of increases was adopted without change by the board of estimate on March 31. Again the administration economized by saving two months of these salary increases, amounting to over \$200,000. This time the treatment of those "exempt" from the merit system was even more generous. Seventeen Democratic district leaders found their way to the director of the budget's roll—eight of these from the Tammany organization and the rest from the Brooklyn and Bronx organizations. Besides these leaders, many active party workers are on the list for increases of \$500 or \$1,000. All told, 300 of the "exempt" employees found favor with the director of the budget, many of whom had been included for substantial increases the year previous. This number represents increases for 10 per cent of the "exempt" employees. On the other hand, employees within the merit system to receive increases number 8,200—barely 1 per cent of the 75,000 merit system employees of the city. Nor should the inference be drawn that those in civil service to receive reward were unknown to political activity.

J. J. M.

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**New York Police Commissioner Resigns Following Raids on Gambling Clubs.**—Tammany is experiencing some of the uneasiness that is believed to attend regal heads. In more complete control of the city than ever in the last thirty years, it is none the less disturbed from time to time by its own domestic problems. Nor is its membership entirely in agreement with respect to the policies and program for its future. There is a conflict between the old Tammany and the new. The new Tammany attributes the present prosperity to a restrained leadership, to political honesty rather than the wise use of plunder. The older group is perhaps less farsighted.

Recently the organization has been disturbed by the gambling raids which Police Commissioner George McLaughlin made on various political clubs in the city. His first raid was on the Woodstock Democratic Club in the Bronx, within three days after he took office. Later in the year he astounded press, public and politicians by raiding three of the oldest Democratic clubs in the city, presided over by some of the most powerful district leaders in the Tammany organization.

The latest outburst was a raid upon the club of Alderman Peter J. McGuinness' People's Regular Democratic Club in the Greenpoint section of Brooklyn. Alderman McGuinness, though not a particularly powerful leader outside of his own bailiwick, is one of the most colorful figures in the politics of the city.

One or two minor raids followed, and the press was full of stories and rumors of huge raids that were impending. The commissioner in a newspaper interview announced that gambling was one of the keys to the crime problem. The papers printed stories about huge dice games that floated over the city, alighting now at this club, now at that, with profits of \$1,000 or \$2,000 a night to the club leader hosts. The mayor and Judge Olvany, the "boss" of Tammany Hall, announced that they would stand by the commissioner, though one of the papers reported the "boss" of the Bronx to have said that he would have no raiding of clubs in his borough.

Suddenly, on March 29, Commissioner McLaughlin received a handsome offer from Mr. Mackay's Postal Telegraph concern and resigned! The public was assured that this resignation had nothing to do with any of the aforementioned events (the new salary is reported to be \$75,500 a year), but it is a little hard to dissociate.

The passing of Commissioner McLaughlin was much lamented in business circles and in the press. Many regard him as perhaps the finest police commissioner New York has ever had. His resignation was coupled in the press with the announcement that his successor would be Joseph A. Warren, former law associate of Mayor Walker and active in Tammany politics. Mr. Warren represents the first Tammany man to be police commissioner since Deputy Tom McAvoy in the Van Wyke administration. Incidentally, he comes from the district which McAvoy presided over as district leader.